

AGREEMENT OCTOBER 20, 1999

SOURCE	Union
EFF.	9/10/01
TERM.	2000 09 30
NO. OF EMPLOYEES	10
NOMBRE D'EMPLOYES	JF

BETWEEN: Shields Navigation Ltd.  
(hereinafter called the "Company")

AND: International Longshore and Warehouse Union, Local 400, Marine Section  
(hereinafter called the "Union")

PREAMBLE

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

PART I GENERAL

1.01 RECOGNITION

- (a) The Company recognizes the Union as the only certified bargaining agent for all Unlicensed Personnel employed in the Deck, Engine-Room, and Stewards' Departments of vessels owned, operated, or directly or indirectly controlled by the Company provided that such vessels are operated within the coastal and inland waters of British Columbia or in waters bordering on the Yukon and North West Territories, or if operated on a national or international basis that the port from which the vessel is dispatched is within the coastal waters of British Columbia.
- (b) Where a vessel covered by this Agreement is chartered or leased, the terms of such charter or lease shall provide that this Agreement shall apply unless a vessel is chartered or leased to a Company which has an Agreement with another Union to man and operate vessels and such Agreement contains the provision that the other Union has jurisdiction over the work to be performed. Should the charterer or lessee fail or neglect to abide by the terms of this Agreement, the Company, or lessor, shall be liable to the Unlicensed Personnel concerned for wages or other monetary benefits which are not paid by the charterer or lessee.
- (c) Where a vessel covered by this Agreement is sold to a Company or to an individual, written advice of such a sale will be provided to the Union within fourteen (14) days.
- (d) For greater clarity, the Company shall furnish the Union with a list of the vessels described above, and the parties recognize that the list may be altered from time to time.
- (e) The term Unlicensed Personnel as used in this Agreement does not include the Masters, Mates and Engineers sailing on these vessels.
- (f) The Company shall meet with representatives of the Union as required in an effort to resolve matters of mutual interest to the parties, Discussions may involve such matters as noise abatement, crew accommodations, safety procedures and practices. Where grievable matters cannot be resolved, grievances may be processed in accordance with the Grievance Procedure.
- (g) The Company agrees that only tugs whose full crews are covered by a recognized marine Union agreement will be utilized to perform work except in those areas in which members of other unions have been historically employed. It is understood that the only exception to this would be in the event of Union vessels being unavailable to do the job when required, including remote areas where Union vessels do not exist.

1.02 SUPPLYING OF PERSONNEL

The Company agrees that Unlicensed Personnel to be hired shall be requested through the dispatch office of the Union. Where forty-eight (48) hours notice of personnel requirements is given by the Company, the Union will make every reasonable effort to refer applicants to the Company in advance of the day they are required to commence work. In the event that the Company had previously employed an applicant and that applicant's performance was not acceptable to the Company it may reject the applicant provided it had notified the Union and it had provided the applicant with a written reason for such rejection. In other cases where the Company rejects individuals rejections shall not be arbitrary or without valid reason. Rejections shall only be based on ability, qualifications, or suitability for employment in the category requested. Should the Union be unable to furnish employees that are capable, competent and satisfactory to the Company with sufficient promptness to avoid delay in sailing at the appointed time, the Company may secure replacements from other sources on a temporary basis subject to Article 1.03, and the Company shall make every reasonable effort to so notify the Union within twenty-four (24) hours. The Union reserves the right to replace "replacements" once the temporary requirement has been met.

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### 1.03 UNION SECURITY AND CHECK - OFF

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

### 1.04 NOTIFICATION OF SUSPENSIONS OR DISMISSAL

Wherever practicable, the Company will notify the Union of suspensions or dismissals within twenty-four (24) hours of their occurrence. Any notice of disciplinary action that is intended to form part of an employee's employment record shall be given to the employee in writing with a copy to the union.

### 1.05 GRIEVANCE PROCEDURE

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

Any Unlicensed crew member with a complaint or grievance shall discuss the complaint or grievance with the Master first, this shall also apply to complaints or grievances of the Union. If a settlement satisfactory to the crew member or the Union is not reached then the following grievance procedure will be carried out:

- (a) A written statement of the grievance shall be presented to the Master, or Company, by the crew member concerned, accompanied if he so desires by a fellow employee who is a Union Committee member or may be presented by the Union.
- (b) If the Master or Company fails to adjust the grievance in a satisfactory manner, it shall be dealt with between the representatives of the Company and the Union.
- (c) The maximum time for processing a grievance shall be ninety (90) days from the time the incident occurs which gives rise to the grievance. This time limit may be extended by mutual agreement between the parties. Failing mutual agreement to extend the time limit, a grievance not raised and processed within the ninety (90) day period shall be deemed abandoned and all rights of recourse including arbitration in respect of this grievance shall be at an end.

In the event arbitration is desired, written notice must be given within the ninety (90) day period.

- (d) No grievance or disciplinary appeal shall be submitted to Arbitration until it has been handled through the preceding steps of the Grievance Procedure.
- (e) If the grievance is not satisfactorily concluded under procedures (a) and (b), then it shall be dealt with by arbitration in accordance with the following procedures:
  - (i) The party desiring to arbitrate under this procedure shall notify the other party in writing of this intention and the particulars of the matter in dispute.
  - (ii) The party receiving such notice shall within ten (10) days thereafter confirm such notification in writing.
  - (iii) The parties shall then confer and shall within ten (10) days choose a single arbitrator to arbitrate the dispute and shall abide by the decision of such arbitrator. The arbitrator shall be chosen by mutual agreement of the parties. Failing mutual agreement, the Minister of Labour will be asked to select the arbitrator.
  - (iv) Once the arbitrator is chosen and if either party to the dispute desires it, the following procedures shall take place within a further five (5) days.

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

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

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

#### 1.06 BOARDING PASSES

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

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

#### 1.07 DISCRIMINATION

The Company agrees not to discriminate against any person for legitimate Union activity, sex, race, creed, appearance, age, ethnic origin or sexual orientation.

#### 1.08 STOPPAGE OF WORK

- (a) The Company, signatory to this Agreement, and the Union agree there shall be no strikes or lockouts during the life of this Agreement.
- (b) All controversies and disputes shall be settled through the Grievance Procedure.
- (c) There shall be no slowdown or stoppage of work during the period when a grievance is being resolved.
- (d) Refusal to pass through a picket line which has not been held to be illegal shall not be construed as a violation of this Article.
- (e) The Company will not require any member of the Union to continue with a tow, if such tow has been brought through a picket line by other than Union Personnel.

#### 1.09 SENIORITY AND PROMOTIONS

- (a) It is agreed that in layoffs and rehires, preference will be given to employees with the greatest length of service **with** the Company and that for placements within the bargaining unit, where skill and efficiency are relatively equal, preference will be given to the employee with the greatest length of service with the Company.
- (b) **the** Company will post a current record of employee service on their bulletin boards annually. One copy shall be forwarded to the Union.
- (c) When an employee **is** physically unable to work in his present classification he shall have **the** right to retrain for a different classification **within the** bargaining unit and shall maintain full seniority within the Company.
- (d) A new employee shall acquire seniority as of his date of employment with the Company provided he has completed six (6) months continuous employment. During a new employee's probation period of 180 days **the** employee shall demonstrate his ability, qualifications, and suitability for continuing in the position.
- (e) An employee who **has** been laid off will retain his seniority and the right to be recalled for a period of twelve (12) months, provided he has had no interim employment and he reports to the Company when recalled. An employee who **is** given reasonable notice and fails to report for work upon recall **is** subject to discharge from service.

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

- (f) Where the Company promotes an Unlicensed employee to Officer status on board its vessels, the following shall apply:
- (i) When the Company is making initial temporary promotions, candidates possessing the necessary certification successfully passing the normal pre-promotion assessment, will receive fair and equitable consideration for such promotion from the Company. It is intended that any problems over the interpretation of this section (i) will be resolved by discussion by the affected parties concerned, not by recourse to the grievance procedure.
  - (ii) An employee who has prior acceptable Company service as an Officer (with no break in Company service) will be promoted first.
  - (iii) Employees seeking promotions to Officer status must be members of the Union in good standing and shall only retain their seniority rights with the Unlicensed Union provided they remain as members in good standing with the Union including the payment of dues in the manner required by the Union.
  - (iv) Employees who are temporarily promoted for the purpose of training and/or relieving permanent Officers, shall continue to accrue unlicensed seniority provided they do not work in an Officer category for more than a total of ninety (90) days (excluding lay days) in any calendar year. This period may be extended in order to allow for the completion of a trip, provided that the Company notifies the Union in advance. During these 90 day periods the employee is required to pay dues to the Union.
  - (v) Upon promotion to a full time Officer's position with the Company, an Unlicensed employee having a minimum of five (5) years seniority will have his Unlicensed seniority frozen, so as to enable later possible returns to an Unlicensed position pursuant to a layoff due to lack of work.

Such recall right shall only continue for a period of three (3) years from the date of his initial full-time position, following this, he shall have no further claim to Unlicensed seniority.

- (g) Where an employee who has positive lay days is subject to layoff pursuant to subsection (d) above he shall be entitled at his election to continue on the Company's payroll as follows:
- 1. His leave will be run out,
  - 2. He shall have the option of banking his annual vacation or cashing it out.
  - 3. Overtime converted to leave to be banked or cashed out at the employee's discretion.
  - 4. Any statutory holiday that falls in the employee's run-out time will not be paid.

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

## 1.10 MEDICAL EXAMINATIONS

The Union agrees that the Company has the right to have all personnel examined for fitness, and any personnel found medically unfit for service at sea shall not be employed, or if employed, may be dismissed. The Company agrees that all personnel handling, preparing and serving food shall be required to have a medical examination at least once each calendar year. All such medical examinations shall be at the Company's expense. The employee shall be compensated with one half (1/2) of a calendar day's pay for each such examination except for pre-employment medicals or if the employee is at work.

For employee's with seniority, the company will pay the doctor's charges for a D.O.T. required medical exam where Medicare or the Benefit Plan does not cover this.

Where the Company refuses to employ a person or dismisses an employee for medical reasons, the question of that person's fitness for full sea duties in the category in which he is to be employed may be referred to a competent medical authority for determination acceptable to both the Company and the Union.

### 1.11 ANNUAL VACATIONS

- (a) The Unlicensed crew member shall receive fourteen (14) consecutive days annual vacation and shall be paid annual vacation pay of 4 (four) percent gross wages earned during each year until eligible for the increased benefits.
- (b) A crew member shall receive twenty-one (21) consecutive days annual vacation upon completion of two (2) years of service with the Company. He/she shall be paid for such vacation on the basis of six (6) percent of gross wages earned during his/her second (2nd) year of service.
- (c) A crew member shall receive twenty-eight (28) consecutive days annual vacation upon completion of seven (7) years of service with the Company, effective October 1, 1983. He/she shall be paid for such vacation on the basis of eight (8) percent of gross wages earned during his/her seventh (7th) year of service.
- (d) A crew member shall receive thirty-five (35) consecutive days annual vacation upon completion of fifteen (15) years of service with the Company. He shall be paid for such vacation on the basis of ten (10) percent of gross wages earned during his fifteenth (15th) year of service.
- (e) A crew member shall receive forty-two (42) consecutive days annual vacation upon completion of twenty-two (22) years of service with the Company. He shall be paid for such vacation on the basis of twelve (12) percent of gross wages earned during his twenty-second (22nd) year of service.
- (f) Effective October 1, 1985, an employee with thirty (30) years of service with the Company shall receive an additional two (2) percent of gross wages earned during his twenty-ninth (29th) and succeeding years,
- (g) In all cases under (a), (b), (c), (d), (e) and (f) above, if the Unlicensed crew member has worked less than a normal year and he/she is not entitled to the full annual vacation days allowed, they shall be in accordance with his/her vacation pay earned.
- (h) Annual vacations may be taken in conjunction with time off but shall be taken during the ten (10) months following the year in which service was rendered.
- (i) Vacation pay shall be accumulated throughout the year and shall be paid to the Unlicensed crew member on the pay day prior to his vacation. The dollar value shall be shown on the employee's monthly pay statement.
- (j) An Unlicensed crew member shall be entitled to select the period desirable to him for his vacation period on the basis of seniority with the Company, subject to the Company having the right to approve the vacation schedule as a whole.
- (k) For the purpose of this Article, the term "gross wages" shall include all monies credited as a result of wages, overtime, excessive hours, subsistence allowances and the previous vacation pay.
- (l) Unlicensed crew members terminating their employment shall be paid all vacation pay due them up to the date of leaving, calculated in accordance with Sections (a), (b), (c), (d), (e), (f) and (j).

### 1.12 STATUTORY HOLIDAYS

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

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

- (b) Twelve (12) hour Employees:
  - (i) If it is not possible to take a holiday listed above and **an** employee is called to work on that day, he/she will be granted **an** alternate day off in lieu thereof. This day off shall be in addition to the normal pay and leave for the day worked.
  - (ii) The rate of pay for work on a Statutory Holiday shall be time and one half the straight time hourly rate. Only the straight time value of the leave portion of earnings shall be credited to **the** lay day account, i.e. 1.24 of a normal day's pay.
  - (iii) For each Statutory Holiday not worked or for each alternate day off in place of a Statutory Holiday worked, an employee shall be paid his/her regular pay for a normal day worked (12 Hours) plus the leave he/she would earn for that day.
- (c) Employees employed on vessels operating in the Home Trade Class 3 and Home Trade Class 4, including the Queen Charlotte Islands, will be granted the three (3) day period consisting of December 24th, 25th and 26th, as leave in the home port. Where due to cases of distress, extreme emergency or continuous on station operations, all or any part of this three (3) day period is not granted, then **the** three (3) day period of December 31st and January 1st and 2nd will be granted.
- (d) **An** employee who does not receive either three (3) day period referred to in Section (g) above shall receive a three (3) consecutive day period of leave immediately on return to his home port. **All** such three (3) day periods will be paid for at the Statutory Holiday rate.
- (e) Where a Statutory Holiday falls on a Friday, employees shall be paid on the prior Thursday.

### 1.13 WELFARE PLANS

The Company shall pay for each Unlicensed crew member in its employ who is eligible for and participates in the Welfare Plan the full cost of **the** Group Insurance, Weekly Indemnity and Extended Health Benefits portion of the Plan.

Eligibility shall commence after 90 days of uninterrupted employment with **the** Company and shall be subject to presentation of a medical certificate indicating fitness for duties in an unlicensed capacity. Uninterrupted employment is considered a ninety (90) day period without layoff.

- (a) Weekly Indemnity:
  - (i) The weekly Indemnity Rate shall be the weekly equivalent of 66 2/3% of the basic monthly wage for a cook/deckhand.
  - (ii) Employees with one (1) year of continuous service with the Company shall be paid lay days during the waiting period for Weekly Indemnity payments.
  - (iii) An employee on **the** above Weekly Indemnity Plan shall be entitled to top off his Weekly Indemnity income up to full basic wages with lay days. Employees who would otherwise have been laid off will not be entitled to be supplemented with red days. Where an employee is not expected to return to work (doctor's advice) before going on L.T.D. red days will not be available for top off.

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

- (b) Medical Services Plan:

The premium shall be paid 100% by the Company.

- (c) Long Term Disability Plan:
- (i) "Totally Disabled" means an employee is unable to perform any gainful occupation for which he is or may become reasonably qualified by training, education or experience and which will enable the employee to earn at least 60% of his inflation-indexed, pre-disability earnings.
  - (ii) B.C. Medical to be provided free of charge to employee when on L.T.D. The Health Plan to provide the coverage.
  - (iii) The benefits currently being paid from the Plan to Unlicensed Personnel who are currently receiving less than \$600.00 per month will be increased to \$600.00 per month effective the 1st of the month following ratification by the parties of this Memorandum. The monthly premium for L.T.D. will be adjusted to provide for this coverage.
  - (iv) The premiums shall be fully paid by the employer effective October 1, 1993. The benefit shall be based on sixty six and two thirds (66 2/3%) percent of the employee's basic monthly rate in effect at the time he/she is entitled to L.T.D. benefits for total disability from the fifty-second (52nd) week of disability through to normal retirement at age sixty-five (65).
- (d) The Dental Plan, fully paid by employer, shall incorporate the following features:
- 1. Basic coverage similar to those described in MSA Plan A (100% coverage).
  - 2. Restorative services similar to those described in MSA Plan B (50% co-insurance).
  - 3. Orthodontia as described in MSA Plan C (50% co-insurance) to cover employee, spouse, dependent children \$2,000.00 lifetime maximum.
  - 4. Payment of more than \$1,750.00 per person per year shall require the approval of the Plan Carrier and such approval shall be granted for work required for dental health.
  - 5. Gold Onlays and Inlays to be moved from Plan A to Plan B.
  - 6. The premium waiver for employees who go on Long Term Disability will be continued.
  - 7. A Dental Consultant Advisor will be retained on a monthly basis by the Plan Carrier.
- (e) The Company will continue to administer the Welfare Plan.
- Any rebate of E.I. Premiums shall be applied to offset the cost of Welfare Plan improvements.
- The welfare plan currently carried by London Life is acceptable to the Union and the employees.
- (f) Life Insurance:
- Effective December 1, 1995 the benefit will be increased from \$75,000.00 to \$90,000.00.
- (g) Pension Plan:
- Company Pension Plan - A money purchase pension plan shall be provided as follows:
- 1.
    - (i) Effective October 1, 1998 the Company shall contribute for each employee eight and one half per cent (8-1/2%) of his earned basic monthly salary upon completion of three (3) months continuous service. The employee may contribute on a voluntary basis.
    - (ii) The employee will complete the appropriate forms authorizing the employer to deduct the employee's pension contribution.
    - (iii) Where an employee participates in the Seaman's Pension Plan, as per item 4, the Company shall remit total monthly contributions to said plan.
  - 2. Portable within Companies participating in an industry plan. No waiting period for plan participant when changing employers.

3. Employer contributions to be fully vested in employee immediately.
  4. Employees have the option of joining the Company plan or remaining in the existing Seaman's Pension Plan (Company not obliged to pay into more than one plan other than the Canada Pension Plan).
  5. Employee leaving service entitled to return of his contributions, plus interest.
  6. The Company will continue to administer the Pension Plan.
  7. Employer to notify employees annually as to amount of contributions and to provide an annual financial statement on the members account.
- (h) Extended Health Benefit Plan:
1. There shall be no change in the present deductible levels:  
Single \$25.00; Double \$50.00.
  2. The premium waiver for employees who go on Long Term Disability will be continued.
  3. The unlimited lifetime maximum will be continued.
  4. The unlimited supplemental lifetime maximum will be continued.
  5. Specific benefits as follows:
    - (i) Supplementary Hospital, continue fixed daily rate at reasonable and customary rate.
    - (ii) Hearing Aids, continue unlimited maximum benefit.
    - (iii) Vision Care coverage will be increased to \$200.00, effective December 1, 1995.
- (i) Alcohol and Drug Program:
- The Company shall support certain expenses of the Union's Volunteer Co-ordinator by providing an amount prorated to the Company's number of employees in relation to the rest of the industry on a monthly basis, when a recognized program is established.
- (j) Definition of Dependent:
- Provide for same sex spouse on basis of common law spouse as defined in the Benefit Plan.
- (k) Employee Family Assistance Program (EFAP)
- The Company shall have in place an EFAP or in the alternative join the CMC Industry Plan.

#### 1.14 EMERGENCY DUTIES

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

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

#### 1.15 DRILLS

Whenever practicable, lifeboat and other emergency drills shall be held on weekdays between the hours of 10:00 a.m. and 2:00 p.m. Preparations for drills such as stretching out fire hoses and hoisting or swinging out boats shall not be made prior to the signal for such drills. After drill is over all hands shall secure boats and gear and replace fire hoses in safe custody. In no event shall overtime be paid for work performed in connection with such drills.



#### 1.16 RETURN TO PORT OF ENGAGEMENT

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

#### 1.17 CARRYING WORKAWAYS IN LIEU OF CREW

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

#### 1.18 SUPPLIES, EQUIPMENT AND CLOTHING

(a) Supplies and Equipment:

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

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

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

(b) Clothing:

1. If a Company requires any Unlicensed crew member to wear a uniform, the Company will supply, maintain and clean it.
2. The Company will provide any protective clothing or equipment required by Workers' Compensation regulations for the handling of cargo requiring same.
3. Any Unlicensed crew member who suffers clothing damage as a result of handling dangerous cargo or corrosive material, shall have the clothing replaced or be paid the present day replacement value, provided such clothing was suitable for the job being performed, and was damaged to a degree to make it unsuitable for future wear.
4. The Company shall supply sufficient white aprons and caps for cook/deckhands and sufficient white shirts (T-shirts where mutually satisfactory) and pants to enable full-time cooks on vessels to make changes as necessary. Such whites shall be laundered by the Company or at its expense. Whites shall be replaced upon proof of wear and tear.

5. Where the above whites are not supplied and laundered for cook/deckhands or full-time cooks, they shall supply and launder their own and shall be compensated for same at the rate of \$40.00 per month.
6. Upon request by personnel, the Company shall supply the following:
  - (i) Proper work gloves, free of charge, suitable to the work to be performed.
  - (ii) After six (6) months Company service the employer shall provide either a safety shoe or rain jacket and pants allowance against proof of purchase to the employee as follows:

Safety Shoes	\$100.00
Rain Jackets & Pants	\$100.00
  - (iii) Eligibility to the allowance shall be renewed every twelve (12) months after it was last paid.
  - (iv) After sixty (60) days service with the Company, employees upon request will be provided free of charge with two (2) pair of good quality coveralls as may be required.
  - (v) Caulks shall be available on the vessel, to be used where necessary.

#### 1.19 SAFETY AND EQUIPMENT

- (a) The Company shall furnish and maintain safe working gear and equipment for the protection of its employees and shall continue to make reasonable provision and rules for their safety and they shall be replaced when necessary on an exchange basis at no cost to the employee.
- (b) Life jackets, hard hats, head lamps, ear protectors and dust protectors shall be provided by the Company for crew members who are required to work aboard vessels, scows, barges, or log tows. One (1) pair of strap-on caulks shall be carried on each vessel. Crew members will be required to sign for the above safety equipment. Company to ensure that vessels carry an adequate supply of replacement caulks.
- (c) When a crew member falls sick, or is injured, it will be the duty of the Master to see that he gets first aid or medical treatment as quickly as possible. The Company will provide for the employee's return to home port.
- (d) All accidents and injuries shall be logged medically at the time they occur.
- (e) A tug shall be supplied with life jackets sufficient for all crew members. A medical kit fully maintained shall be aboard. A stretcher shall also be aboard where space is available.

An employee shall be entitled free of charge to a D.O.T. approved floater coat including the U-Vic style upon completion of one year's service with the Company. The Company shall issue the coats and will replace them when necessary.
- (f) During the hours of darkness, outside painting must not be performed.
- (g) Where existing space allows, seating will be provided for the helmsman.
- (h) The Company agrees that crew members shall not be required to perform any work on staging, ladders, or Bosun's chair while the vessel is underway.
- (i) Individual companies undertake to examine the possibility of making anchor chains on vessels self-stowing. New continuous operating vessels will be provided with self-stowing anchor chains.
- (j) The Company agrees to provide survival suits in accordance with CSI Regulations.
- (k) Whenever a crew member is required to work aboard a tow out of verbal communication range or sight from the tug control station, he shall be supplied with a suitable radio which will not restrict his movement and at the same time allow for immediate communication at all times.

### 1.20 SAFETY PROCEDURES AND PRACTICES

- (a) Will be in accordance with standard practice of the British Columbia Towboat Industry and the safe working regulations of the Canada Shipping Act.
- (b) The Company and the Union subscribe to safe working practices aboard the vessels. To this end both will co-operate to ensure safe working conditions aboard the vessels.
- (c) To observe the provisions of the Marine Occupational Safety and Health Regulations.
- (d) Alcohol and Drug Policy - the policy appended to this agreement will apply to all employees covered by **this** collective agreement. Testing will not exceed the guidelines provided in the Federal Regulations.

### 1.21 TOWBOAT ACCOMMODATION STANDARDS

Both parties subscribe to the Towboat Accommodation Regulations contained in the Canada Shipping Act and standard practice of the B.C. Towboat Industry. To this end both parties will co-operate to ensure satisfactory living conditions aboard **the** vessels.

### 1.22 SPRAY GUNS

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

### 1.23 MANNING

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

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

- (b) In the manning of new ships, vessels and equipment the parties agree that the governing factors shall be to provide crew complements of a size and quality sufficient to meet the requirements of the operations efficiently, safely and within the terms of this Agreement.
- (c) The following rules shall be applied to determine the crew of the tug from the point of view of maintaining a safe and efficient operation at all times:
  - (i) The crew of any commercially operated tug shall be a minimum of two (2) **men**.
  - (ii) The manning of a tug shall allow for two (2) men being available to **the** wheel house at all times **the** vessel is underway. This means Deck Officer in charge and **one** further person who shall be under the direct control of and readily available to assist **the** Officer in charge. Except in emergencies **the** cook shall not be considered to be available to the wheelhouse. However, the duties of all crew members regardless of position shall come under the direct control of the Master.
  - (iii) Due to sea-going conditions and the exigencies of the service, overtime work is necessary from time to time. Such overtime work will be kept to a minimum and in no case barring emergencies will an employee work more than sixteen (16) hours overtime in any consecutive seven (7) day period. Any Unlicensed crew member who has worked the maximum overtime for **the** period will not be required to work any further overtime during that period and if necessary, will be relieved. Overtime for purposes of this Section (iv) shall be all time actually worked over and above twelve (12) hours per day.

- (iv) In every calendar day each crew member of a tug shall get at least eight (8) hours of rest, six (6) of which must be consecutive or unbroken. Not more than eighteen (18) hours nor less than six (6) shall elapse between such six (6) hour rest periods.
  
  - (v) The hours of rest specified in Section (v) shall be maintained with respect to each crew member who:
    - 1. transfers from one tug to another;
    - 2. changes from one watch to another;
    - 3. changes from day work to watchkeeping duties;
    - 4. changes from employment ashore to watchkeeping duties aboard a tug.
  
  - (vi) Each crew member must take the hours of rest to which he is entitled under this article.
  
  - (vii) **Hours of Rest During On Watch Period** - A crew member may be instructed to take hours of rest during the period of his watch, at the Master's discretion, given the following conditions:
    - 1. the vessel must be safety secured for a minimum of six (6) consecutive hours, and
    - 2. a minimum of eight (8) hours rest per calendar day (six (6) consecutive) shall be maintained, and;
    - 3. the watch system (6 to 12 or 12 to 6) shall be maintained, and
    - 4. not less than six (6) nor more than eighteen (18) hours shall elapse between rest periods, and
    - 5. he shall not work two (2) off watch periods in a row except immediately following an on watch rest period, and
    - 6. he shall not rest two (2) on watch periods in a row, and
    - 7. the rest period must be uninterrupted, and
    - 8. whenever possible he shall receive six (6) hours notice of taking an on watch rest, and
    - 9. he must be given a full meal at the end of the rest period (if missed).
- The foregoing shall apply only to continuous operating vessels with a crew of four (4) or more.
- (viii) Every tug shall have sufficient crew aboard so that life-saving and fire extinguishing equipment may be used simultaneously in the event of a fire aboard.
  
  - (ix) In case of dispute between the parties when implementing the above principles and they are unable to reach a mutually satisfactory decision -
    - 1. The number of crew shall be the number determined by the Department of Transport as complying with the appropriate regulations.
    - 2. The Department of Transport shall be requested to provide a report regarding compliance with statutory provision.
    - 3. If the dispute at this stage cannot be mutually resolved, it will be handled under the terms of the Grievance Procedure set in Article 1.05.

#### 1.24 LEAVE OF ABSENCE

- (a) Any employee who is required to be available for Jury Duty, Coroner's Jury Duty, Coroner's Witness, Crown Witness and where the employee represents the Company in court action, will be paid while on such duty, provided such court action is not occasioned by the employee's private affairs. The pay will be such so as to maintain the employee's monthly basic rate. Leave banks will be frozen during this time.

An employee in receipt of his regular earnings while serving at Court shall remit to the Company all monies paid to him by the Court, except travelling and meal allowances.

- (b) The Company will grant leave of absence to employees who are appointed or elected to a Union office (or who go ashore to work for the Company and remain members in good standing with the Union) for a period up to and including three years and that his seniority shall remain dormant until his return.

Further leave of absence will be granted if requested. Any employee who obtains such leave of absence shall return to the Company within thirty (30) calendar days after completion of his term of employment with the Union. The Company shall be given due notice in writing of all such requests for leave.

- (c) (ii) An employee shall be entitled to compassionate leave of up to seven (7) days without pay to attend to urgent domestic affairs. Leave of more than seven (7) days may be taken, subject to Company approval, if the circumstances warrant.

(ii) Bereavement leave is provided in accordance with the provisions of the Canada Labour Code excepting that the entitlement shall be four (4) calendar days pay and immediate family means, in respect of any employee, the spouse, parents, children, sisters, brothers, father-in-law and mother-in-law of the employee, and includes any relative permanently residing in the employee's household or with whom the employee resides.

- (d) The Company will grant leave of absence to employees who are elected as representatives to attend Union Meetings, Union Conventions, conventions of labour organizations to which the Union nominates the employee as delegate on its behalf or act as member of any Union Negotiating Committee providing the Company is given due notice in writing by the Union, in order to be able to replace the employee during his/her absence with a competent substitute. An extended leave of absence without pay may be granted regarding illness in the immediate family.
- (e) The Company will grant leave of absence to employees suffering injury or illness, subject to a medical certificate if required by the employer.
- (f) The Company will grant leave of absence to an employee who takes education leave pursuant to the terms of Appendix "L".
- (g) An employee desiring leave of absence for reasons other than those set out above must provide sufficient reasons for the request acceptable to both the Company and the Union and must obtain authorization in writing from the Company and the Union.
- (h) When an employee on regular tour of duty requests and is granted relief from duty that employee shall bear extra wage costs (any double payments) for his relief except under (c) and (e) above.

### 1.25 BULLETIN BOARD

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

### 1.26 SEVERANCE PAY

Employees with one or more years of total service, who are displaced and for whom no job is available due to automation, mechanization or permanent reduction in the number of vessels or number of employees will be entitled to Severance Pay. Severance Pay will be paid in the following manner:

One (1) week's pay per year of total uninterrupted service with the Company as an employee.

A week's pay shall be calculated as follows:

**MONTHLY BASIC** = Weekly Pay for Severance Purposes  
4.35 weeks

An eligible employee on indefinite layoff, who has been employed for less than two months in a period of a year shall have the option of collecting severance pay. Employees who receive severance pay will forfeit their recall rights with that employer.

### 1.27 CUSTOMARY DUTIES

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

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

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

The Letter of Understanding, Appendix "D", between the Company and the Union, regarding maintaining the "status quo" with respect to pumpmen, dated February 11th, 1985, shall continue in effect during the life of this Agreement.

### 1.28 TRAVEL INSURANCE

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

### 1.29 OVERTIME CONVERSION

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

- (i) making an election on January 1st, April 1st, July 1st, October 1st of each year to convert all or any part of said overtime;
- (ii) the Company having the right to defer the taking of such time off should the overall efficiency of the operation be affected by it.
- (iii) flat rates including subsistence allowance and cook's whites not to be paid on such converted leave.
- (iv) An employee may elect in writing to retain his converted overtime leave and be paid into the red, as provided elsewhere under this Agreement, provided that such converted leave will be used before red days for makeup to full pay when he is on medical leave and educational leave.

## PART II CONTINUOUS OPERATING VESSELS

### 2.01 HOURS OF WORK AND OVERTIME

- (a) Employees in the deck and engine room shall be classed as watchkeepers.
- (b) The hours of work for watchkeepers shall be on the basis of a two (2) watch system of six (6) hours on and six (6) hours off, commencing at the beginning of the calendar day.
- (c) Hours of work for members of the Steward's Department shall be confined to twelve (12) hours in a spread of fifteen (15) hours. Overtime shall be paid for any time worked over the regular twelve (12) hour day or outside the fifteen (15) hour spread, including preparation and serving of meals affected by the provisions of Article 1.23 (c)(viii).
- (d) Hours of work for cook/deckhands shall be as watchkeepers.
- (e) When employees off duty are called for overtime work, they shall be allowed twenty (20) minutes call out (30 minutes during the period October 1st to March 31st). Overtime increments shall be one (1) hour from time of call out, and thereafter paid for in one-half (1/2) hour periods. In the event a man is called more than once during an off watch period and there is less than one and one half (1.5) hours between the time of the second call and the time of completing the first call, his overtime shall be deemed to be continuous from the time of the first call.  
  
The minimum payment for a call-out under this section shall be three (3) hours pay at the straight time hourly rate.
- (f) When a crew member is working continuously from straight time into overtime the minimum overtime payment shall be one (1) hour.
- (g) For the purpose of calculating overtime, a day shall refer in all cases to the period from midnight to midnight.
- (h) Time worked in excess of regular hours shall be paid at the rate of double the straight time hourly rate.
- (i) The hourly overtime provisions in the Agreement shall not apply and no hourly overtime payments shall be made for services rendered when a vessel resumes its voyage after a layover for periods in excess of twenty-four (24) hours should broken watches have occurred. (For purposes of this Section, the term "broken watches" is understood to mean that the crew had been placed on an eight (8) hour work day for which they are entitled to their normal pay and leave).
- (j) The Company agrees to send a letter to Masters as to calls on cook-deckhands when yarding during meal preparation time.

### 2.02 OVERTIME CLAIMS

- (a) Overtime claims shall be prepared by the employee in duplicate and be presented to the Master within forty-eight (48) hours for signature indicating both receipt of the claim and information that the work was ordered and performed. The duplicate copy of the claim shall be given to the employee for the record. The Master shall turn in the overtime claim with the Ship's Log at first return to home port (or by mail at least twice monthly).
- (b) If the overtime claim is disputed, a copy of the claim is to be returned by the Company to the employee before the next pay period together with reasons for rejecting the claim.
- (c) The Company shall establish specific cutoff date(s) for the purposes of paying overtime and shall process and pay overtime in the pay period immediately following the date so specified.

### 2.03 DIVISION OF OVERTIME

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

#### 2.04 LEAVE AND WAGE COMMENCEMENT

- (a) In all classifications covered by this Agreement, monthly leave with pay shall be granted as set forth below, exclusive of annual vacation.
- (b) Where the twelve (12) hour day applies, the time off schedule will consist of 1.24 days off for each day worked.
- (c) The Company shall give the employee twenty-four (24) hours notice of leave when the leave is to exceed five (5) days, except in extenuating circumstances and will provide twelve (12) hours confirmation.

Similarly, an employee requesting leave shall give twenty-four (24) hours notice, except in extenuating circumstances. Twenty-four (24) hours notice of sailing will be given an employee returning from leave of more than five (5) days. If twenty-four (24) hours notice of sailing is not given the employee may refuse to sail.

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

- (d) All monthly leave will be granted in the vessel's home port unless otherwise mutually agreed.
- (e) Twenty-four (24) consecutive hours free of the ship shall constitute a day off. This time shall commence any time from 8:00 a.m. until midnight.
- (f) Wherever practicable, at the discretion of the Master, a crew member may be permitted to go ashore for a limited period of time on his off watch.
- (g) It is agreed that both the Company and the employee shall give forty-eight (48) hours notice of termination of employment.
- (h) At the expiration of accumulated time off, and when an employee is unable to rejoin his vessel due to its absence from the base port, any such employee who has one or more years of continuous service with the Company shall continue to receive this rate of pay until such time as he resumes duty on the vessel from which he took his leave or such other vessel as the Company may assign him, but such time shall be deducted from his next accumulated leave periods. If the employee quits, is laid off, or is discharged for cause, the Union will co-operate in arranging that the Company is reimbursed by the individual from his next employment.

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

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

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

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

- (j) When a vessel is laid up for overhaul, employees with any accumulated leave due shall take such leave while the vessel is laid up unless requested by the Company to work by the Vessel or to sail on another Company vessel. When requested to work by the vessel, Article 2.05 shall apply.
- (k) Any employee away on leave who fails to report for duty at the expiry of his leave without reasonable excuse shall be considered to have terminated his employment with the Company.



- (l) Where an employee has been granted leave of twenty-four (24) hours he shall return to **his** vessel at the end of such time unless previously requested to phone for confirmation of sailing time. In the event that a vessel is to be tied up at its home port for a period of from twenty-four (24) to forty-eight (48) hours, the employees may be granted a leave of twenty-four (24) hours, or forty-eight (48) hours **as** the case may be, provided that the leave shall not commence between the hours of midnight and 0800 hours. This provision shall only apply when the employees return to the vessel from which they took their leave. Section (f) of **this** Article is not applicable when **this** section is invoked within the above time limits. The employee shall not be required to phone more than once in that twenty-four (24) hour period. If the employee is not required to sail at **the** expiry of the above twenty-four (24) hour period, the onus shall thereafter be upon the Company to inform the employee as to sailing time.
- (m) When **an** employee is being relieved from his vessel between midnight and 0700 hours and such employee request transportation, **the** employer shall arrange and pay for said transportation to a destination within a radius of twenty-five miles of the home dock. For employees who cannot reasonably travel home under these circumstances, overnight accommodation will be arranged and paid by the Company.
- (n) One half day's pay and leave earned shall be paid to any employee paid off his ship prior to 12:00 noon; the employee relieving such man prior to 12:00 noon shall receive one day's pay and leave earned. One day's pay and leave earned shall be paid any employee paid off his ship after 12:00 noon. The employee relieving such man will be paid one half day's pay and leave earned.

Notwithstanding the aforementioned,

- (i) when a crew has been called in to relieve the on-board crew and the crew change occurs one (1) hour or less after **noon** or midnight, the relieved employees shall only be entitled to overtime payments in accordance with article 2.01 (f) and (h).
  - (ii) if on occasion companies are unable to schedule regular crew changes at the home dock, crew members **who** are flown to and from the vessel will receive no additional payments so long as **the** crew changes commences or is completed within two (2) hours either side of noon. Employees with medically recognized fear of flying shall not be expected to crew change by air.
- (o) It is agreed that the existing work tours on continuously operated tugs will be maintained except **as** may be mutually agreed.

## 2.05 LAID UP SHIPS

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

## 2.06 MAINTENANCE WORK

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

## 2.07 MEAL HOURS

- (a) The meal hours for the Unlicensed crew members covered by **this** Agreement shall be as follows:
  - Breakfast from 0530 hours to 0630 hours
  - Dinner from 1130 hours to 1230 hours
  - Supper from 1730 hours to 1830 hours
- (b) These hours may be varied for good reason provided such variation shall not exceed one-half (1/2) hour either way and also provided that one (1) unbroken hour shall be allowed at all times for dinner and supper when the vessel is in port. In addition, there shall not be more than six hours between the end of one meal period and **the** start of the next meal period.
- (c) When Unlicensed crew members are required to work overtime after six (6:00) p.m. and where the safety of the vessel and tow allows, they shall be entitled to a coffee break after approximately two (2) hours work at night and lunch break of thirty (30) minutes after approximately four (4) hours work.
- (d)
  - (i) Where an employee works from an off watch period into an on watch period, he shall be given one-half (1/2) hour in which to eat. Where an employee does not receive one-half (1/2) hour in which to eat, he shall be credited with an additional one-half (1/2) hour at the overtime rate **as** a penalty thereof.
  - (ii) Where an employee works from an on watch period into an off watch period, he shall be given one-half (1/2) hour in which to eat immediately following the on watch period. Where an employee does not receive one-half (1/2) hour in which to eat, he shall be credited with an additional one-half (1/2) hour at the overtime rate as a penalty thereof and his time shall be continuous.

## 2.08 COFFEE TIME AND LUNCHES

- (a) Day workers who work a twelve (12) hour shift shall be allowed a full hour lunch break. During each six (6) hour shift, each day worker will be entitled to two (2) coffee breaks of twenty (20) minutes each. The timing of such breaks will be at the discretion of the Master and subject to the safe navigation of the vessel.
- (b) Unlicensed crew members, where the safety of the vessel and tow allows, shall be given two (2) coffee breaks of twenty (20) minutes each during six (6) hour watch. Such breaks shall be spaced approximately two (2) hours apart. The spacing of such breaks shall be at the discretion of the Officer of **the** watch. This clause also applies to working aboard barges and dozer boats.
- (c) Ingredients for hot night lunches shall be available for crews changing watch and those called to work overtime and premium time.

## 2.09 MEALS IN PORT

- (a) In circumstances where subsistence is customarily provided and where, for any reason other than overhaul, subsistence is not available, the Company will make alternate arrangements for subsistence, or Unlicensed crew members shall receive in lieu thereof, twenty-four dollars (\$24.00) per working day as subsistence allowance.
- (b) Whenever (a) above is not in effect, Unlicensed crew members employed on vessels and/or operated by the Company shall pay the sum of one dollar and fifty cents (\$1.50) per day worked for subsistence and lodging provided. This provision only to apply where Revenue Canada Taxation deems "subsistence and lodging" as taxable items for seafarers.
- (c) At the end of each calendar year, Unlicensed crew member shall be provided with a receipt covering all deductions made under (b) above.
- (d) In addition to the rates of pay shown in (a) of this Article, Unlicensed crew members employed on vessels owned and/or operated by the Company shall be paid the sum of one dollar and fifty cents (\$1.50) per day worked on all occasions that Section (a) is not in effect. This provision only to apply where Revenue Canada Taxation deems "subsistence and lodging" as taxable items for seafarers.

## 2.10 COOK - DECKHAND

On vessels carrying cook-deckhands, their duties shall be arranged by the Master so that:

- (a) Meals can be served within the time limits set out in the meal hours Article.
- (b) Sufficient time shall be allowed for the preparation of meals and post meal clean up as well as time to eat.
- (c) Cook-deckhands will not be required to chip and paint but will be required to do tasks necessary to maintain the vessel in a condition of neat and tidy cleanliness. Cook-deckhands will not be required to chip, paint or soogie in the Engine Room.

## 2.11 GUEST MEALS

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

**Cooks** and cook-deckhands: October 1, 1996 - \$4.38

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

When extra meals are served outside the meal hour, overtime and extra meals shall apply.

## 2.12 BARGE WORK AND CARGO, GEAR OR BOOMCHAIN HANDLING

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

(a)	BARGE WORK	ON WATCH (rate in addition to salary)	OFF WATCH
1.	Tying up, letting go, and duties necessary to safe navigation.	No premium	Applicable overtime rate (per Article 2.01)
2.	Cargo handling	Time and one-half	Double time
3.	Work other than 1. and 2.	Time and one-half	Applicable overtime rate (per Article 2.01)

(b)	HANDLING OF GEAR CARGO OR BOOM- CHAINS ON <b>TUG</b>	ON WATCH (rate in addition to salary)	OFF WATCH
1.	For vessel's own use.	No premium	Applicable overtime rate (per Article 2.01)
2.	Gear or boomchain handling other than 1. above.	Straight time	Applicable overtime rate (per Article 2.01)
3.	Cargo	Time and one-half	Double time

### 2.13 SHIPS STORES AND FUEL

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

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

- (b) **Fuel** - Fuel for the vessel's own use shall not be considered as cargo so long as it is loaded from the tow or from an oil dock or barge which is alongside the vessel. In conditions other than this, when Unlicensed crew members are required to go off the vessel, dock, or barge to load fuel, it shall be paid for in accordance with Article 2.12 (b)(2).

- (c) **Garbage** - The handling of garbage from another vessel shall attract premium payment as set out in 2.12 (b)(2) above. A suitable garbage container shall be situated on deck.

### 2.14 DOZER BOATS

A dozer boat will be equipped with a swing seat, a canopy, outside deck house hand rails, an exhaust muffler, heating, rear weather protection, e.g. a canvas curtain with a plasticized window and running lights.

A crew member who operates and maintains a dozer boat shall receive the same remuneration which is paid a Mate for performing this function on the vessel on which the crew member is employed.

Where this work is being performed by the vessel's crew it should be divided as equally as possible between Licensed and Unlicensed crew members. This division shall be equal both as regards night time and day time work, and winter and summer work.

### 2.15 MARINE DISASTER

Unlicensed crew members who suffer loss of personal effects and clothes through wreck or marine disaster shall be compensated by a lump sum payment of five hundred dollars (\$500.00) and, subject to satisfactory proof of loss, an additional payment not to exceed nine hundred dollars (\$900.00).

In the event of loss of life these monies shall be paid to the beneficiary as named on benefit forms.

### PART III

#### 3.01 RATES AND FREQUENCY OF PAY

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

Employees shall receive wages in full (save late overtime claims) within forty-eight (**48**) hours of termination excluding week-ends and Statutory holidays.

The rates shown in the Pay Appendix are adjusted over the September 30, 1997 rates and increase are **as** follows.

October 1, 1997	22 cents across the board
October 1, 1998	33 cents across the board
October 1, 1999	40 cents across <b>the</b> board.

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

Retroactive pay will be paid to all employees who have seniority, are on the Company payroll as at the date of this Memorandum and have worked thirty (30) days for their employer since October 1, 1997.

#### 3.02 EDUCATION AND TRAINING

- (a) The following concepts shall govern the payment of courses:
- (i) On Company required education and training programs, the Company will bear all costs of tuition, including wages.
  - (ii) Subject to prior approval and upon successful completion of a voluntary upgrading course the Company will reimburse the employee for tuition, books, and fees.
  - (iii) On required upgrading arising out of government regulations the Company will assist the employee along the lines outlined in (ii) above.
  - (iv) Cook-Deckhands - In order to improve the cooking skills of Cook-Deckhands, the Company shall arrange from time to time to send employees on cooking courses sponsored by Canada Manpower and will pay **the** costs of tuition and books, and reasonable out of pocket expenses incurred. The Company will also pay one-half the regular rate of wages (excluding lay day entitlement) while the employee is attending the course, this amount to be reduced by the amount of the grant allowed by Canada Manpower, if any. (The rate of pay to be determined **as** follows: one-half (1/2) of the daily rate times 7/5.
- (b) The Company **will** provide wage assistance to eligible employees who take courses leading to Certificates for which the Company deems it has use and which are three (**3**) or more months in length. Wage assistance shall be fifty percent (50%) of the employee's basic rate commencing with the eighth (**8th**) week of the course through its completion and including up to an additional two (**2**) weeks for **the** taking of exams. To be eligible, an employee shall have a minimum of three (**3**) years service **with** the Company.
- (c) If Government assistance is available, **the** employee shall apply, and if granted, the amount of wage assistance advanced by the Company during **the** course shall be reduced by the sum of such Government assistance.
- (d) **At** the completion of the course an employee shall return to work for the Company for a period of at least one (1) year. If the employee elects not to do so, the Union will render co-operation toward recovery of the Company cost of the courses taken.

#### 3.03 LETTERS OF INTENT

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

#### 3.04 SUBSISTENCE

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

**3.05 UNION HIRING HALL FUND**

The Company shall make a monthly payment to the Union for hiring hall services. Effective October 1, 1999, this monthly payment will be established on the basis of 42 cents per day worked for each employee covered by the Agreement.

**3.06 SAILING SHORT - HANDED**

Where, on vessels with four (4) or more Unlicensed crew, an Unlicensed crew member is absent, his wages will be distributed equally amongst the remaining Unlicensed crew. Performance of the missing crew member's duties shall not attract overtime payments.

**3.07 ROOM TIME**

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

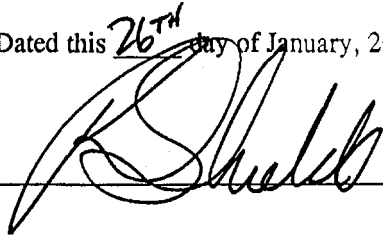
**3.08 DURATION OF AGREEMENT**

This agreement shall be in effect from October 1, 1997 until September 30, 2000 and thereafter from year to year subject to ninety (90) days notice in writing of desire to revise, amend or terminate same. Such notice may be given any time after June 30, 2000. All terms and conditions to be effective the first of the month following ratification by the parties except where otherwise provided.

**3.09 TERMS AND CONDITIONS**

The terms and conditions set out in this Collective Agreement shall apply as appropriate to the vessels listed in Appendix "A".

Dated this <sup>26<sup>th</sup></sup> day of January, 2000 at Vancouver, B.C.



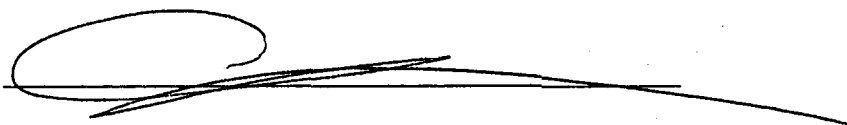
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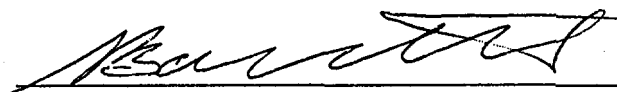
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EXECUTED ON BEHALF OF  
SHIELDS NAVIGATION LTD.

Dated this 18th day of January, 2000 at Vancouver, B.C.



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EXECUTED ON BEHALF OF  
INTERNATIONAL LONGSHORE AND  
WAREHOUSE UNION,  
LOCAL 400, MARINE SECTION

**APPENDIX "A"**

List of Vessels

Group II (0 - 550 BHP)

Georgia Transporter  
Storm Spray

Group III (551 - 900 BHP)

Storm Queen

Group IV (901 - 1300 BHP)

Storm Wave

Group V (1301 - 1800 BHP)

Storm Force

Group VI (1801 - 2400 BHP)

Haida Chieftain

**APPENDIX "B"**

**NOISE ABATEMENT PROGRAM**

(a) **Standards**

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

(b) **Noise Level Readings**

This Company agrees that if it has not already done so noise level readings will be taken on the vessel.

The noise level readings shall be taken in accommodation areas, specifically sleeping cabins, galleys, messrooms, wheelhouses and recreation rooms. Such readings shall be taken when the vessel is either under static (pushing or pulling) conditions, or under tow at full engine load and **with** all essential auxiliary machinery operating.

All noise level readings are to be made available to the Union for inspection upon request. Should the Company take subsequent noise level readings the Union will be supplied **with** copies of findings.

Noise level readings shall be taken as follows:

1. The Company may take its own noise level readings and in this event the Union may have an employee in attendance while the vessel is being tested, or
2. Should the Union dispute any noise level readings tendered, the Union may then require further noise level readings **with** a Union representative in attendance.

(c) **Audiometric Testing**

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

(d) **Hearing Protection**

On vessels where there exists steady state and impact noise considered excessive, employees shall be provided with adequate hearing protective devices. The noise exposure levels and standards of protective equipment shall be as provided for in the W.C.B. Industrial Health and Safety Regulations of B.C.

(e) **Complaints**

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

APPENDIX "C"

WAGE RATES  
 12 HOUR VESSELS

OCTOBER 1, 1997

	Monthly Basic	Calendar Day	Pay For Leave	Earned Per Day Worked	Rate Per Hour	Time and One Half	Double Time
Cook Deckhand	<b>3655.29</b>	<b>120.16</b>	<b>149.00</b>	<b>269.16</b>	<b>22.43</b>	<b>33.65</b>	<b>44.86</b>
Pumpman	<b>4203.73</b>	<b>138.19</b>	<b>171.36</b>	<b>309.55</b>	<b>25.80</b>	<b>38.69</b>	<b>51.59</b>

OCTOBER 1, 1998

	Monthly Basic	Calendar Day	Pay For Leave	Earned Per Day Worked	Rate Per Hour	Time and One Half	Double Time
Cook Deckhand	<b>3709.07</b>	<b>121.93</b>	<b>151.19</b>	<b>273.12</b>	<b>22.76</b>	<b>34.14</b>	<b>45.52</b>
Pumpman	<b>4266.78</b>	<b>140.26</b>	<b>173.93</b>	<b>314.19</b>	<b>26.18</b>	<b>39.27</b>	<b>52.36</b>

OCTOBER 1, 1999

	Monthly Basic	Calendar Day	Pay For Leave	Earned Per Day Worked	Rate Per Hour	Time and One Half	Double Time
Cook Deckhand	<b>3774.25</b>	<b>124.07</b>	<b>153.85</b>	<b>277.92</b>	<b>23.16</b>	<b>34.74</b>	<b>46.32</b>
Pumpman	<b>4330.79</b>	<b>142.37</b>	<b>176.53</b>	<b>318.90</b>	<b>26.58</b>	<b>39.86</b>	<b>53.15</b>



APPENDIX "D"

LETTER OF UNDERSTANDING

BETWEEN SHIELDS NAVIGATION LTD. & CBRT & GW LOCAL 400

All pumpmen sailing with Shields Navigation Ltd., with the exception of Licensed personnel, shall either be members in good standing of the Union, or must join the Union, in accordance with Section 1.03 Union Security and Check-off.

The status quo shall remain in force during the life of this Agreement.

In the event, promotion to the classification of pumpman occurs from within the various classifications of the bargaining union, the employee possessing the greatest seniority, shall receive the preference provided ability is equal.

(Original signed by representatives  
of the Company and the Union)

February 11, 1985.

APPENDIX "E"

Letter of Understanding

President  
Canadian Brotherhood of Railway  
Transport & General Workers  
Local 400  
120 - 111 Victoria Drive  
Vancouver, B.C.  
V5L 4C4

Dear Sir:

Re: Successor Rights and Obligations

The provisions of the Canada Labour Code, Part V, pertaining to Successor Rights and Obligations will apply for the duration of this agreement.

Yours very truly,

P. A. Shields  
Shields Navigation Ltd.

**APPENDIX "F"**

Re: Crew Complements

1. **New Vessels**

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

2. **Existing Vessels**

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

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

**APPENDIX "G"**

Re: Charters - Claims Involving Third Parties

Section (b) of Article 1.01 (RECOGNITION) provides in part that should a charterer fail or neglect to abide by the terms of our Collective Agreement, the Company will be liable to the Unlicensed crew members concerned for unpaid wages and other monetary benefits. It is agreed that a six (6) month limitation shall apply to any claims that might arise

out of such third party arrangements. In other words, in the event that the Company chartered a vessel to a third party who failed to meet his obligations under the Agreement terms, an Unlicensed crew member concerned with a valid claim would be obliged to register his claim with the Company not later than six (6) months from the date the claim first arose. It is understood that a claim instituted beyond this point in time will not be recognized.

**APPENDIX "H"**

Headings in the Collective Agreement

The Agreement has been structured for ease of reference into "Parts" and then further into Articles. The "Parts" are for reference purposes only and those provisions of a general nature apply to all employees.

The Company agrees that the provisions of the Agreement would also be applicable to any additional Company Vessels until the changes in the terms and conditions (Necessitated by such additional vessels) can be negotiated.

**APPENDIX "I"**

Letter of Understanding

President  
Canadian Brotherhood of Railway  
Transport & General Workers,  
Local 400  
120 - 111 Victoria Drive  
Vancouver, B.C.  
V5L 4C4

Dear Sir:

Apprentice Engineers - Dirty Money

The new Collective Agreement between the Company and the C.B.R.T. excludes the Apprentice Engineer from premium pay for work outlined in Sections 2.05(d) and 2.06(b) as **the** duties are necessary to his training to become an engineer.

The prime function of the apprenticeship program is to allow the employee the maximum exposure to repairs, preventive maintenance and professional shipboard procedures. There may be times when the apprentice will work in areas that are very confined and very dirty. **When**, in the opinion of **the** Chief Engineer, the conditions under which such work is performed are extreme, premium pay claims may be submitted.

Yours truly,

P. A. Shields  
President  
Shields Navigation Ltd.

**APPENDIX "J"**

Letter of Understanding

President  
Canadian Brotherhood of Railway,  
Transport & General Workers,  
Local 400,  
120 - 111 Victoria Dr.,  
Vancouver, B.C.  
V5L 4C4

Dear Sir:

Re: Bargemen

When unlicensed employees sail as bargemen the following criteria shall apply:

- bargemen shall have a valid " Supervisor of Oil Transfer Operations" certificate
- bargemen shall be familiar with and adhere to all applicable government regulations and to all documented customer requirements
- hours of work for bargemen shall be as non - watchkeepers
- bargemen may be required to work up to eighteen (18) hours **in** any day
- overtime will apply to hours worked beyond twelve (**12**) in any day
- safety equipment required by the company or its customers shall be provided to **the** bargemen by the company
- bargemen training required by the company or its customers shall be paid for by the company
- bargemen will be responsible for a particular barge and its cargoes
- bargemen will also be employed on other barges from time to time to provide additional experience and flexibility in scheduling
- the status quo will apply with respect to duties
- bargemen will be paid at the rate applicable to cook - deckhands plus forty (40) dollars per day worked ( effective the date of ratification)
- bargeman wage rates are to be included in Appendix "C"

It is intended that these criteria recognize the special status of bargemen within the company and compensate them fairly for the extra responsibility that they undertake. All other provisions of the collective agreement will continue to **apply**.

Yours Truly,

P.A. Shields  
President  
Shields Navigation Ltd.

**APPENDIX "K"**

**SHIELDS NAVIGATION LTD.**

Alcohol and Drug Policy

**(A) INTRODUCTION AND OBJECTIVE**

Shields Navigation Ltd. is committed to the health and safety of employees, sales associates, contractors, customers, the public and the environment. To this end, the company makes every reasonable effort to minimize **risks** associated **with** its operations and to ensure a safe, healthy and productive workplace. The company recognizes that the use of illicit drugs, and the inappropriate use **of** alcohol, medications or other substances, can have serious adverse effects on the safety and well - being of employees, sales associates, contractors, customers, the public or the environment. The objective of this policy is to minimize the risk of impaired performance due to substance use.

**(B) EFFECTIVE DATE AND SCOPE OF APPLICATION**

The following provisions are effective January 1, 1992; they apply **as** corporate minimum standards to all employees of Shields Navigation **and** specified subsidiaries or partnerships, whether employed on **a** career or **finite-term** basis. Separate policy guidelines will be developed for other subsidiaries, sales associates, agencies and contractors. Alcohol and Drug Administrative Guidelines have been developed to provide additional policy details, interpretive guidelines and administrative procedures.

**(C) PREVENTION**

Shields Navigation Ltd. recognizes that appropriate emphasis must be placed on the prevention of alcohol or drug abuse and dependency. The company is committed to:

- \* clearly communicate its expectations with respect to employee substance use;
- \* continue its general programs of employee health awareness;
- \* provide specific programs of education and awareness on substance use and available treatment resources, to employees, supervisors and managers; and
- \* support peer prevention/referral programs or other initiatives based on shared responsibility.

**(D) ASSESSMENT AND REHABILITATION**

- (1) Shields Navigation Ltd. recognizes that alcohol or drug dependency is a treatable condition and that early intervention greatly improves the probability of lasting recovery. The company will continue to provide confidential assessment, counselling, referral and aftercare services through its Employee Assistance Program (EAP) and the health centres operated by **the** Occupational Health Division. Employees who suspect they have a substance dependency or emerging alcohol drug problems are encouraged to seek advice and to follow appropriate treatment promptly, before job performance is affected or violations of this policy occur. Those employees who follow approved treatment will receive disability and health insurance benefits in accordance with existing plans. At the discretion of a company health professional, and with the informed consent of the employee, medical work limitations may be communicated to management, resulting in modified work, reassignment, or absence from work on disability benefits during treatment.
- (2) Information concerning an employee's health status or involvement with the EAP, occupational health centres or external treatment agencies, and all medical records in possession of the Occupational Health Division, will continue to be held in strictest confidence. Such information will not be disclosed except:
  - (a) as authorized by the informed consent of the employee;
  - (b) as required by law; or
  - (c) where there is a serious and imminent risk that the health or safety of **the** employee or others would be jeopardized.

-2-

**(E) DISCIPLINARY ACTION**

No employee with an alcohol or drug problem will be disciplined or involuntarily terminated for requesting help in overcoming the problem or because of involvement in a rehabilitation effort. However, if an employee violates the following provisions of this policy, or does not meet satisfactory standards of work performance as a result of substance abuse, appropriate disciplinary action will be taken, up to and including termination of employment. Such action cannot be avoided by a request at that time for rehabilitation, or disclosure that the individual is already involved in treatment. This policy does not require and should not result in any exemptions from normal job performance requirements.

**(F) JOB CATEGORY DEFINITIONS**

For purposes of this policy, the following job categories are defined:

**(1) Safety - sensitive positions:**

Positions which meet both of the following conditions as determined by Standard Towing:

- (a) have a key and direct role in an operation where impaired performance could result in a catastrophic incident, affecting the health or safety of employees, sales associates, contractors, customers, the public or the environment; and
- (b) have no direct or very limited supervision available to provide frequent operational checks.

This category includes all employees who are required to rotate through or temporarily relieve in safety-sensitive positions.

**(2) Specified executive positions:**

Positions which have significant ongoing responsibilities for decisions or actions likely to affect the safe operations, finances, or reputation of the company.

**(3) All other positions**

**(G) WORK RULES CONCERNING POSSESSION, USE OR EFFECTS OF SUBSTANCES**

(1) In order to minimize the risk of impaired performance due to substance use, the following are strictly prohibited for employees in all job categories. Violations are grounds for disciplinary action up to and including termination of employment:

(a) use, possession, distribution, offering or sale of illicit drugs, illicit drug paraphernalia or unprescribed drugs for which a prescription is legally required in Canada, while on company business or premises;

(b) presence in the body of illicit drugs, unprescribed drugs for which a prescription is legally required in Canada, or their metabolites while on company business or premises;

(c) use, possession, distribution, offering or sale of alcoholic beverages on company premises, except for approved social functions and other exceptions set out in the Alcohol and Drug Program Administrative Guidelines;

(d) having a blood alcohol concentration of .04 percent (.04 grams per 100 ml) or higher while on company business or premises;

(e) intentional misuse of prescribed medications, over-the-counter medications or other substances while on company business or premises; and

(f) being unfit for scheduled work due to the use or after-effects of alcohol, illicit drugs, unprescribed drugs for which a prescription is legally required in Canada, or the intentional misuse of medications.

(2) In addition to the above, employees who are working in safety-sensitive positions are prohibited from consuming any alcoholic beverage during their working hours, whether on or off company premises. This provision applies to meal times or other personal work breaks, whether or not they are considered to be paid time. Employees working in safety-sensitive positions are also required to limit their consumption prior to working hours so that there is no alcohol in the body while at work.

-3-

(3) Employees in all job categories have a responsibility to manage potential impairments during working hours due to the legitimate use of medications, in consultation with their personal physician, pharmacist or one of the company's occupational health centres. In appropriate circumstances, a company health professional may issue medical work limitations requiring modified work or temporary reassignment. Employees working in safety-sensitive positions are required to report any use of listed medications (see Alcohol and Drug Program Administrative Guidelines) to the appropriate company health centre or their supervisor before commencing work.

#### (H) REASSIGNMENT AND MODIFIED WORK

(1) At management discretion, any employee may be temporarily held out of service (i.e. sent home without reduction of base pay, placed on modified work or reassigned, pending medical determination of fitness for duty, management assessment of a potential substance abuse problem, or completion of an investigation into a possible violation of this policy.

(2) At the discretion of a company health professional and with the informed consent of the employee, medical work limitations may be communicated to management, resulting in reassignment, modified work or absence on disability benefits during treatment.

(3) (a) Incumbents in, or candidates for, safety-sensitive positions are required to notify management if they have or have had a substance abuse problem as defined in the Alcohol and Drug Program Administrative Guidelines. A thorough assessment will be made of all who self-declare or are otherwise suspected of having a current or past substance abuse problem. Where a current or past problem is confirmed, the employee will not be permitted to enter or remain in a safety-sensitive position until he or she has successfully completed a reinstatement/entry review process to the satisfaction of Standard Towing Ltd. (see item (c) following).

(b) Where an employee must be reassigned due to a confirmed substance abuse problem, a reasonable effort will be made to offer an alternative position at a comparable level if the employee is qualified for an available position. Otherwise a lower-level position will be offered, with maintenance of the employee's original pay rate until:

(i) a comparable or higher-level position is offered;

(ii) employment is terminated for any reason; or

(iii) five years has passed from the date of reassignment;

whichever occurs first.

Notwithstanding the above, maintenance of an employee's original pay rate does not apply should organizational changes affecting compensation be implemented.

(c) An employee with a past substance abuse problem who wishes to enter or return to a safety-sensitive position must initiate and successfully complete a rigorous reinstatement/entry review process. Eligibility for reinstatement/entry is at the sole discretion of a corporate review panel. The onus is on the employee to apply. At a minimum, the employee must meet the following conditions:

(i) successful completion of a company-approved rehabilitation program, including primary treatment and an individually-tailored, mandatory aftercare program for a minimum of two years, followed by sustained abstinence from alcohol or drugs for a further five years;

(ii) comprehensive clinical assessment;

(iii) favourable prognosis from the Occupational Health Division;

(iv) agreement to specified written post-reinstatement/entry controls;

(v) supervisor/management endorsement;

(vi) favourable personal records check, e.g. driving record, professional licences.

-4-

**(I) IDENTIFICATION/CONFIRMATION OF SUBSTANCE ABUSE AND WORK RULE VIOLATIONS**

**(1)** For all positions, the normal process of job performance monitoring and counselling will continue to be emphasized. Employees with apparent performance problems may be referred to the Occupational Health Division for confidential medical evaluation where health factors (including but not limited to substance use) may be involved.

**(2)** All job applicants or employees are subject to mandatory testing for alcohol or drugs under the following circumstances, as further defined in the Alcohol and Drug Program Administrative Guidelines:

(a) a test for specified drugs after an offer of employment has been made, with employment conditional upon a negative result;

(b) a test for alcohol and specified drugs:

(i) after a significant work accident, incident or near miss as determined by management;

(ii) where reasonable cause exists to suspect alcohol or drug use or possession in violation of this policy; and

(c) where otherwise required by law.

**(3)** Testing for alcohol or specified drugs may also be conducted on a voluntary basis during or after a rehabilitation program. Mandatory testing will be conducted on an unannounced periodic or random basis as part of a post-rehabilitation monitoring and aftercare agreement permitting an employee with a past substance abuse problem to enter or return to a safety-sensitive position.

**(4)** Candidates for employment in, or transfer or promotion to, safety-sensitive or specified executive positions are also subject to pre-assignment testing for alcohol and specified drugs, with entry conditional upon a negative result. Thereafter, incumbents in safety-sensitive or specified executive positions are subject to unannounced random testing for alcohol and specified drugs.

**(5)** A positive test result, failure to report for a test, refusal to submit to a test, refusal to consent to disclosure of a test result to management, or an attempt to tamper with a test sample are grounds for disciplinary action up to and including termination of employment.

(6) (a) The testing program will meet all regulatory requirements and will go beyond such requirements where necessary to ensure the accuracy and integrity of results. Test candidates will be asked to declare their current or recent use of medications and to complete an informed consent document. Rigorous sample collection, storage and chain-of-custody procedures will be followed.

(b) Alcohol tests will be administered with a breathalyzer, breath tube device or saliva strip. All drug tests will be administered by urinalysis. The testing program will cover alcohol and specified drugs only; it will not include testing for other medical conditions.

(c) Urine samples will be analyzed by a fully qualified laboratory using a two-step process, with initial screening by immunoassay and all confirmations being performed by gas chromatography/mass spectrometry (GC/MS). The laboratory will be subject to blind performance testing and such other quality assurance measures as the company may prescribe.

(d) Confirmed positive test results will be reviewed by a qualified medical review officer, and the applicant or employee concerned will be given an opportunity to explain the finding before it is communicated to management.

**(7)** Candidates for employment in, or transfer or promotion to, safety-sensitive or specified executive positions are required to submit to a medical examination by a company-designated health professional as a condition of entry to these positions. Incumbents are subject to periodic mandatory medical examinations thereafter, as detailed in the Alcohol and Drug Program Administrative Guidelines.

**(8)** The company reserves the right to conduct unannounced searches for alcohol, drugs or drug paraphernalia, on company owned or controlled premises, marine vessels, aircraft, mobile equipment or vehicles, where use of the substances could create an unsafe situation or where there is a reasonable cause to suspect that they may be present. Searches will be conducted in accordance with applicable laws, agreements and local practices.



-5-

**(J) CERTIFICATION PROCESS**

- (1) Employees will be required to complete a certification process in order to enter or remain in a safety-sensitive position. Certification is required by:
- (a) all incumbents when scheduled to do so during the first year after the effective date of this policy;
  - (b) candidates for employment in, or transfer or promotion to, safety-sensitive positions after the effective date of this policy; and
  - (c) all incumbents at the time of their periodic mandatory medical examinations **as** specified in section (I)(7).
- (2) The certification process includes:
- (a) a test for alcohol and specified drugs (except for recertification at the time of periodic medical exams);
  - (b) a signed acknowledgement of compliance with this policy;
  - (c) a mandatory medical evaluation to verify fitness for safety-sensitive duties; and
  - (d) management **assessment** that the individual meets all requirements for employment in a safety-sensitive position.
- (3) An employee who undertakes the certification process but is unable to complete it will be immediately removed from **the** safety-sensitive position and offered an alternative position as described in section (H)(3). If the employee does not self-declare a past or current substance abuse problem and refuses to undertake the certification process, the company will make a reasonable effort to offer an alternative position.

**(K) AFTERCARE**

- (1) All employees who complete primary treatment for alcohol **and** drug problems are strongly encouraged to participate in a structured aftercare program, **in** order to help them maintain recovery. With the employee's permission, **the** Employee Assistance Program, possibly in consultation with other occupational health professionals, will determine the appropriate aftercare arrangements on an individual basis.
- (2) Participation in aftercare is mandatory where an employee with a past substance abuse problem seeks to enter or qualify for reinstatement to a safety-sensitive position.

APPENDIX "L"

**LETTER OF UNDERSTANDING**

President  
International Longshoremen's and  
Warehousemen's Union, Local 400  
Marine Section  
120 - 111 Victoria Dr.,  
Vancouver, B.C. V5L 4C4

Dear Sir;

**RE: EXTENDED EDUCATIONAL LEAVE**

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

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

1. An employee may be granted extended educational leave for up to one (1) year,
2. Requests for such leave shall be dealt with in accordance with Article 1.24(g) of the Collective Agreement,
3. The courses/training need not be related to the marine industry,
4. To be eligible for such leave the employee shall have a minimum service of six (6) years in the marine industry, three (3) of which are continuous with the Company.
5. The employee shall continue to acquire seniority when the training is marine related. His seniority will be frozen when the training is not related to the industry.
6. (i) Where an employee undertakes a course of study to upgrade or attain a recognized seagoing certificate, coverage under the Health Plan, excluding STD and LTD, may be continued for up to twelve (12) months subject to the employee paying the premiums.  
  
(ii) Where the employee is on non-marine education leave the present option for extended coverage of two (2) months shall apply.  
  
(iii) The employee will be entitled to immediate reinstatement of coverage on return from such leave under (i) and (ii) above.
7. This letter shall not interfere with layoff procedures and is void where layoff is permanent.

Yours truly,

P.A. Shields  
President  
Shields Navigation Ltd.

APPENDIX "M"

I OF UNDERSTANDING

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

APPENDIX "N"

LETTER OF UNDERSTANDING

This Letter of Understanding amends Article 2.04 (n) of this Collective Agreement. In recognition of restrictions on operations because of refinery barge loading times and tides, the pay and leave earned system shall commence at 10:00 in addition to the existing times of noon and midnight. Both parties agree to meet and review the appropriateness of this additional time within six months, at which time mutually agreed upon changes can be made.

**Deschamps, Sandra [NC]**

**From:** ILWU400 [ilwu400b@telus.net]  
**Sent:** Wednesday, May 19, 2004 6:03 PM  
**To:** Nc-lab-tra-wid-dimt-lib-gd,  
**Subject:** File# 0800905

*Do we should this one to ?*

✕ Sheilds Navigation Ltd. (Unlicensed) ---  
International Longshore and Warehouse Union-Canada  
Local 400 Marine Section  
(unlicensed personnel)

Terminating agreement: September 30, 2000.

Please note that the C.I.R.B. has approved a de-certification vote. The employees are now members of the Canadian Merchant Service Guild (union) since April, 2001. ~~This~~ union has a current collective agreement for unlicensed personnel with the above company that has changed its name to Island Tug and Barge.

Sincerely  
Terry Engler  
President

*# 13025*

*13025*      *→ 10508*  
                 *→ 10651* } merge  
                                 36