

Collective Agreement

Between



Neegan Development Corporation Ltd.

and



**International Union of Operating Engineers
Local Union No. 955**

Effective August 22, 2019 through December 31st, 2022

Table of Contents

ARTICLE 1:00 – PURPOSE.....	3
ARTICLE 2:00 – SCOPE.....	3
ARTICLE 3:00 - MANAGEMENT RIGHTS.....	4
ARTICLE 4:00 - UNION RIGHTS.....	5
ARTICLE 5:00 - SUB-CONTRACTING.....	6
ARTICLE 6:00 - GRIEVANCE PROCEDURE.....	7
ARTICLE 7:00 - RATES OF PAY AND CLASSIFICATIONS.....	9
ARTICLE 8:00 - STATUTORY HOLIDAYS AND VACATION PAY.....	11
ARTICLE 9:00 - HOURS OF WORK.....	12
ARTICLE 10:00 - REPORTING AND CALL-OUT PAY.....	13
ARTICLE 11:00 - PAY DAYS.....	14
ARTICLE 12:00 – TRANSPORTATION.....	15
ARTICLE 13:00 - ROOM AND BOARD.....	15
ARTICLE 14:00 - WORKING CONDITIONS.....	16
ARTICLE 15:00 - ABSENCE FROM WORK.....	17
ARTICLE 16:00 - BEREAVEMENT LEAVE.....	18
ARTICLE 17:00 – APPRENTICESHIP.....	18
ARTICLE 18:00 - ACCIDENT PREVENTION AND SAFETY EQUIPMENT.....	18
ARTICLE 19:00 - SPECIAL PROVISIONS.....	19
ARTICLE 20:00 - EMPLOYER CONTRIBUTIONS.....	19
ARTICLE 21:00 - DURATION OF COLLECTIVE AGREEMENT.....	21
Letter of Intent – #1.....	22
LETTER OF UNDERSTANDING #1.....	23
APPENDIX 'A'.....	25
LETTER OF UNDERSTANDING #2.....	26

This Collective Agreement is effective August 22nd, 2019 through December 31st, 2022
between

Neegan Development Corporation Ltd.
(hereinafter referred to as the “Company”)

and the

International Union of Operating Engineers, Local Union No. 955
(hereinafter referred to as the “Union”).

ARTICLE 1:00 – PURPOSE

- 1:01 The purpose of this Collective Agreement shall be to record the agreement of the parties arrived at through negotiations as to terms and conditions of employment relating to classifications rates of pay, hours of work and other working conditions affecting employees in the workplace. In addition, to provide a method of settlement for disputes, grievances and to maintain a harmonious relationship between the Employer and its employees.
- 1:02 In this Collective Agreement words using the masculine gender include the feminine and neuter.

ARTICLE 2:00 – SCOPE

- 2:01 The Employer recognizes the Union as the sole and exclusive bargaining agent for employees covered under this Collective Agreement with respect to rates of pay, hours of work and other working conditions.

The Collective Agreement shall cover all employees of the Employer except Supervisory, office, clerical and purchasing engaged in Oil sand mine development, operation, maintenance and reclamation.

- 2:02 If any provision of this Collective Agreement is in conflict with the laws or regulations of Canada or Alberta, such provision shall be superseded by such law or regulation. Unless prohibited from doing so by such law or regulations, or by a ruling of any Court or Board of competent jurisdiction which has declared any provision of the Collective Agreement invalid or inoperable, the Employer and the Union, within fifteen (15) days' notice of either upon the other shall commence negotiations the sole and restricted purpose of which shall be to provide adequate legal replacement of such provision. In the event that such negotiations do not result in agreement upon legal replacement for such provision within seven (7) days of commencement of negotiations or such longer period as may be mutually agreed between the parties, the matter shall be resolved in accordance with Article 6:00.

ARTICLE 3:00 - MANAGEMENT RIGHTS

3:01 Subject to the terms of this Collective Agreement, the Union recognizes the right of the Employer to the management of its operations and direction of the working forces including the right to hire and select workmen, promote or discharge any employee for just cause, and further recognizes the right of the Employer to operate and manage its business in accordance with its commitments and responsibilities including methods, processes and means of production or handling.

3:02 The Employer may name hire Union members in good standing and who have been employed by them in the previous twenty-four (24) calendar months. A newly hired or rehired employee who has worked for the Employer for less than four hundred (400) hours in the past twelve (12) months, shall be on probation for four hundred (400) hours.

This time will be extended by any hours the employee is absent during the probationary period. The probationary period may be extended by mutual agreement of the Employer and the Union prior to the employee working four hundred (400) hours.

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3:03 In the event that a project's conditions place the contractor in an uncompetitive position with non-union bidders, or with the owners forces, this Collective Agreement may be altered accordingly by mutual agreement of the Union, following consultation with the Union members and the Employer negotiating committee.

The Union warrants that this Collective Agreement will not come into competition with the International Union of Operating Engineers Local Union No. 955 Collective Agreement for the same work.

ARTICLE 4:00 - UNION RIGHTS

4:01 When the Employer is in need of employees, qualified members in good standing from the Union will be employed. Such members from the Fort McMurray area shall be given preference. Employees shall be requested from the Union and the employees will be issued a referral slip in due course. If the Union is unable to supply qualified persons within a mutually agreed time frame between the parties to this Collective Agreement, the Employer may hire from wherever possible.

The mutually agreed time frame is dependent upon the following criteria:

- Requisitions to be received from the Employer to the Union dispatch prior to 2:00 p.m.
- The time frame shall commence at 2:00 p.m. and continue until 4:30 p.m. the next business day.
- For the purpose of this Clause, business days are defined as Monday to Friday excluding holidays as per Article 8:00.

4:02 All persons employed as Operating Engineers shall, as a condition of employment, apply to become members of the Union following four hundred (400) hours of employment or be replaced by a competent Union workman when available.

4:03 All employees who are covered under this Collective Agreement, shall be required to pay an amount equal to Union dues during their term of employment. The Employer shall deduct this amount from the employee's wages by the first payday after commencement of employment and thereafter on the first payday of each month. All dues so collected shall be remitted to the Union, together with a list of employees concerned, not later than the fifteenth (15th) day of the month following such deduction.

4:04 The Employer agrees to deduct all Union dues in excess of the normal monthly Union dues, fees and assessments as evidenced by a signed authorization from an employee covered by this Collective Agreement, and forward such monies once each month to the Union together with a list showing the amount deducted for each person. Said monies to be remitted not later than the fifteenth (15th) day of the month following such deduction.

4:05 (a) The Union may appoint one (1) of its members who is a qualified worker in their classification as a Job Steward for each shift. The Union will notify the Employer in writing the names of the Job Stewards appointed. The Employer and the Union will endeavor to ensure that there is a Job Steward working on each crew of six (6) or more members when available, provided that the Job Steward is a qualified Steward and is qualified to perform the work required. The Shift Job Steward will be one of the last two (2) employees laid off in their classification, provided that he or she is qualified.

- (b) Job Stewards will be selected based on their leadership qualities, maturity, ability to problem-solve, positive attitude and to uphold the spirit of cooperation between the Employer and the Union. It will be mandatory that all Job Stewards appointed must take the Job Steward Course, provided by the Union.
- (c) Job Stewards shall be recognized by the Employer and shall be treated fairly and impartially. Stewards shall be allowed time during working hours to perform the work of the Union but shall not abuse that privilege.

4:06 The Business Agent is to have access to all jobs covered by this Collective Agreement after first notifying the Superintendent or person in charge, having due regard to project rules and safety regulations. The Business Agent shall not interfere with the progress of the work.

The Union shall have the right to post notices at designated places on the job. All such notices must be signed by the proper officer of the Local Union and submitted to the Management of the Employer.

4:07 A copy of this Collective Agreement shall be provided by the Union to all employees covered by the Collective Agreement.

4:08 On projects where circumstances have necessitated the hiring of Local 955 permit holders and layoffs take place, the following procedures and sequence for layoff shall be followed:

- (i) Permit holders first;
- (ii) Travel card permits second
- (iii) Good standing members last.

When there is a temporary slowdown of work, good standing members shall be retained on the projects, and travel cards and permits shall be sent home unless all good standing members are working provided the remaining employees are qualified to perform the work required.

ARTICLE 5:00 - SUB-CONTRACTING

5:01 Definition of Sub-Contractor: A sub-contractor is a person or contractor who performs work at the jobsite that, if done by the Employer, would have come under the terms of this Collective Agreement.

5:02 It is recognized by the Union that circumstances may require the use of sub contractors on work covered under the terms of this Collective Agreement. The Employer agrees that if such circumstances arise, they shall notify the Union prior to the letting of any sub-contracts.

5:03 Employees of sub-contractors, as referred to in Clause 5:02, shall be employed under

and in accordance with all of the terms and conditions of this Collective Agreement.

5:04 Owner-Operated and manned rented equipment shall in no way be used to circumvent the intentions and provisions of this Collective Agreement. Where Owner-Operated or manned rented equipment is utilized and performs work beyond three (3) consecutive working days, the operator shall thereafter become an employee and be entitled and subject to all of the terms and conditions of this Collective Agreement.

(a) Definition of Owner-Operator: Owner-Operator shall include the owner of equipment, who physically operates equipment such as bulldozers, scrapers, backhoes, trucks and similar types of equipment covered under the classifications contained in this Collective Agreement.

(b) Definition of Manned Rented Equipment: Manned rented equipment is equipment such as that described in "(a) Definition of Owner-Operator", but is physically operated and/or manned by other than the owner of said equipment.

(c) It is agreed that Warranty work is excluded from the terms and conditions of this Collective Agreement. Warranty work is deemed to be that work which is provided for in the equipment warranty at the time of purchase.

The Union will be notified prior to any person performing Warranty work as above whenever possible and in all cases as soon as possible.

5:05 Should any Owner-Operator with respect to highway trucks be utilized for two (2) weeks or more, he shall obtain a proper work permit from the Union.

ARTICLE 6:00 - GRIEVANCE PROCEDURE

6:01 All differences between the Employer and the Union concerning the interpretation, application, operation, or an alleged violation of this Collective Agreement shall be settled without stoppage of work or lockout and the dispute shall be submitted in writing within ten (10) days and then referred to paragraph (d) below.

In the event of any dispute arising out of this Collective Agreement between the Employer and an employee, the following procedure will be followed:

(a) An aggrieved party shall within ten (10) days of the alleged violation submit his complaint in writing to the Steward who shall endeavour to settle the complaint between the employee and his immediate supervisor.

(b) If the complaint is not settled within five (5) days (excluding Saturdays, Sundays and Holidays) it may be referred to the Project Superintendent and an official representative of the Union.

(c) If the complaint is not then settled within five (5) days (excluding Saturdays, Sundays and Holidays) it shall be referred to the Management of the Employer involved and the Business Agent of the Union.

- (d) If the complaint is not settled within seven (7) days (excluding Saturdays, Sundays and Holidays) it shall be referred to an Arbitration Board. By mutual consent of the parties this time limit may be extended. The Arbitration Board shall be comprised of one (1) member appointed by the Employer, one (1) by the Union and a neutral Chairman appointed by the members. Each party shall bear the expense of their appointee and the expense of the Chairman shall be shared equally by the parties.
- (e) If a grievance is not submitted or advanced from one step to another within the time limits the grievance shall be deemed to be abandoned and all rights of recourse to the grievance procedure shall be at an end, except that the Union and the Employer may mutually agree to extend the time limits.
- (f) If either party fails to appoint a member or if the appointed members cannot agree on a neutral Chairman, such appointments shall be made in accordance with the Labour Relations Code.
- (g) The Arbitration Board shall be vested with the authority to decide whether any matter referred to it is arbitrable. It shall make its decision within fourteen (14) days of the appointment of the Chairman. By mutual consent of the parties the time limits may be extended.

It shall not alter, amend, or change the terms of this Collective Agreement. The majority decision of the Arbitration Board shall be final and binding upon both parties but if there is no majority award, the decision of the Chairman shall be the award.

6:02 As an alternative procedure to that outlined, commencing with Clause 6:01 (d) the following procedure shall be used if mutually agreed in writing between the Employer and the Union.

- (a) The steps prescribed in Clause 6:01 (a), (b) and (c) shall apply.
- (b) If the matter of complaint is not then settled within seven (7) days, (excluding Saturdays, Sundays and Holidays), it shall be referred to a single Arbitrator who shall be selected and agreed upon by the Employer and the Union.
- (c) Should the Employer and the Union fail to agree on the appointment of a single Arbitrator, the appointment shall be made by the Minister of Labour.
- (d) The single Arbitrator shall have the same authority as an Arbitration Board and shall make his decision within fourteen (14) days of his appointment. By mutual consent of the parties the time limits may be extended.
- (e) The costs of and in connection with the single Arbitrator shall be borne equally by the Employer and the Union.

The single Arbitrator shall not alter, amend or change the terms of this Collective Agreement. The decision of the Arbitrator shall be final and binding on both parties.

ARTICLE 7:00 - RATES OF PAY AND CLASSIFICATIONS

7:01 New Classifications: When the Employer utilizes employees not covered by existing classifications of this Collective Agreement, the Employer will establish the rate for such classification and notify the Union in writing within two (2) days of employment. If the Union disagrees with the rate, the proper Union representatives will advise the Employer in writing within fifteen (15) days from the date of notification requesting negotiation. In the event that such negotiations do not result in agreement upon the classification within seven (7) days of commencement of negotiations or such longer period as may be mutually agreed between the parties, the matter shall be resolved by an Arbitration Board as provided in the Grievance Procedure. The wage rate established shall become effective on the date upon which notice is given to commence negotiations.

7:02 **Classifications**

- Group 1 Mechanic Journeyman; Bodyman Journeyman; Welder Journeyman; Machinist; Electrical Mechanic; Surveyor, Crane 15 Ton capacity and over; Shovel, Dragline, Backhoe and similar equipment 2 cu. yd. capacity and over; Gradall; Grader finisher; Cat D-10 equivalent Dozer and over with attachments; Front End Loader 10 cu. yd. capacity and over; Piledriver Operator; SCL Reject hoe.
- Group 2 Motor Scrapers Cat 651 or equivalent and over; Tandem Motor Scrapers and Quad Tractor, One Operator; Cat D-9 equivalent Dozer with attachments; Shovel, Dragline, Backhoe and similar equipment 3/4 cu. yd. capacity and up to 2 cu. yd. capacity; Front End Loader 5 cu. yd. capacity and up to 10 cu. yd capacity; Crane under 15 Ton capacity; Off Highway Vehicles 150 Ton capacity and over; Lowboy Operator equipment hauler; and Serviceman.
- Group 3 Cat D-5 equivalent Dozer up to and including D-8 equivalent Dozer with attachments, dozer, scraper, ripper, pusher; Front End Loader 1 cu. yd. and under 5 cu. yds; Grader; Motor Scrapers and similar equipment under Cat 651 or equivalent; Shovel, Dragline, Backhoe and similar equipment under 3/4 cu. yd.; Crane 12 Ton capacity and under; Tire Mechanic; Truck 5 or more axle units, Off Highway Vehicles under 150 and Bobcat.
- Group 4 Bus Driver #1 License over 24 passenger bus; Class 3 Steam Truck Operator, A-Frame Forklift; up to and including Cat D-4 equivalent Dozer with attachments, Dozer, Scraper, Pusher Ripper; Front End Loader under 1 cu. yd.; Self-propelled rubber tired roller over 20 Ton; Self-propelled compactor including spreading device 815 equivalent and over; Off Highway Vehicle 15 ton and under 30 Ton; Packer Cat D-6 and larger or Base Spreader; Trucks 3 and 4 axle units.

Group 5 Bus Driver (#2 License 24 and under passenger bus); Self-propelled rubber-tired roller small base and paving up to 20 Ton; Off-Highway Vehicle under 15 Ton; Packer Cat under D-6; Self-propelled compactors, all other types up to 815; Rubber-tired Tractor; Mechanic's or Serviceman's helper; Trucks 2 axle units; Labour Technician; Flag Person and Steam cleaner.

Group 6 Grounds worker and Custodian

7:03 HOURLY WAGE RATES

		Group 1	Group 2	Group 3	Group 4	Group 5	Group 6
		\$41.50	\$38.07	\$36.22	\$33.06	\$27.21	\$24.80
Vac. Pay	6.00%	\$2.49	\$2.28	\$2.17	\$1.98	\$1.63	\$1.49
Hol. Pay	4.00%	\$1.66	\$1.52	\$1.45	\$1.32	\$1.09	\$0.99
Pension	10.00%	\$4.15	\$3.81	\$3.62	\$3.31	\$2.72	\$2.48
H&W	\$0.10	\$1.70	\$1.70	\$1.70	\$1.70	\$1.70	\$1.70
Training	\$0.00	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09
Int'n Train.	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
		\$51.64	\$47.52	\$45.30	\$41.51	\$34.49	\$31.60

- The remainder of 2018 will have no changed to the collective agreement.
- 1% increase less \$0.10 will take place upon the date of ratification.
- On the first Sunday of July, 2020 a wage increase of Alberta “All Items” Consumer Price Index (CPI) calculated over the period from January 1 to December 31 of the prior calendar year (2019).
- On the first Sunday of July, 2021 a wage increase of Alberta “All Items” Consumer Price Index (CPI) calculated over the period from January 1 to December 31 of the prior calendar year (2020).
- On the first Sunday of July, 2022 a wage increase of Alberta “All Items” Consumer Price Index (CPI) calculated over the period from January 1 to December 31 of the prior calendar year (2021).

A percent (%) change that is equal to zero (0) or less will result in no change to the base rates for the current year. The CPI shall be that published at:

<http://www.statcan.gc.ca/tables-tableaux/sum-som/101/cst01/econ09j-eng.html>

* In order to qualify for the Bi-Weekly Living Allowance, all employees must work a minimum of six (6) shifts in a two (2) week pay period.

** Six percent (6%) of straight time rate for all hours worked. (Employees with ten (10) Or more years of continuous service shall receive eight percent (8%) vacation pay.)

*** Four percent (4%) of straight time rate for all hours worked.

7:04 Tool Allowance

(a) Where the Employer requires employees who are employed as Journeyman Mechanics, Apprentice Mechanics and Welders to supply tools, then such employees shall receive a tool allowance of one dollar and fifteen cents (\$1.15) per hour on a straight time basis for all hours worked.

(b) The Employer will provide all servicemen with the appropriate servicing tools.

7:05 Operators training on unfamiliar types of categories of equipment (i.e. scraper, dozer, grader, truck, loader, excavator, shovel, etc.) will be paid one (1) classification below the applicable classification for said equipment for a period of not more than four hundred (400) hours operating time. This procedure will be administered in a fair manner.

7:06 Employees required to work scheduled shifts which start between 4:00 PM and 5:00 AM shall receive. A premium of one dollar and twenty cents (\$1.20) per hour on a straight time basis for all hours worked on such scheduled shifts throughout the duration of the Collective Agreement.

ARTICLE 8:00 - STATUTORY HOLIDAYS AND VACATION PAY

8:01 Statutory Holidays will be observed as follows:

New Year's Day	Labour Day
Family Day	Thanksgiving Day
Good Friday	Remembrance Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
Heritage Day	

8:02 The Employer may require employees to work on Statutory Holidays in which event all

time worked on a Statutory Holiday as specified in Clause 8:01 of this Article shall be paid at one and one-half times (1.5x) the regular rate of pay. If an employee is required to work on Christmas Eve, night shift; and Christmas day, day shift or New Year's Eve night shift and New Year's Day, day shift, that employee will receive an additional payment of eight (8) hours at their regular (straight time) rate of pay.

- 8:03 Statutory Holiday pay shall be credited to the employee and shall be calculated at four percent (4%) of the straight time rate for all hours worked.
- 8:04 (a) Vacation pay shall be credited to the employee at the rate of six percent (6%) of the straight time rate for all hours worked.
- (b) An employee with ten (10) or more years of continuous service shall be credited with eight percent (8%) vacation pay.
- 8:05 Statutory Holiday and Vacation Pay shall be paid on each payday and upon termination.

ARTICLE 9:00 - HOURS OF WORK

- 9:01 (a) In recognizing that our industry serves the needs of operating mines, it is understood that shift schedules and hours of work may vary to suit the requirements of the job.
- (b) Eight (8) hours shall constitute a day's work and forty (40) hours shall constitute a week's work in each week or seven (7) days. The work week shall be defined as Sunday to Saturday.
- (c) With respect to short term contract hourly work only, work performed on Saturday and Sunday will be at one and one-half times (1.5x) the regular rate of pay.

- (d) **General Long Term Work:**
(Long term scheduled shifts. long term "Contract Work Authorizations")

Regular time is payable for the first eight (8) hours worked within any twelve (12) hour period regardless of start time, Sunday through Saturday inclusive (excluding statutory holidays).

Overtime rates at one and one-half times (1.5x) are payable for all hours worked in excess of eight (8) hours per day or forty (40) hours per week, Sunday through Saturday inclusive.

- (e) **Short Term Projects Work:**
(On call. day to day. short term projects and short term "Contract Work Authorizations")

- (f) Regular time is payable for the first eight (8) hours worked within any twelve (12) hour period regardless of start time, Monday through Friday inclusive (excluding statutory holidays).
- (g) Overtime rates at one and one-half times (1.5x) are payable for all hours worked in excess of eight (8) hours per day or forty (40) hours per week, Monday through Friday inclusive and for all hours worked on Saturdays, Sundays or statutory holidays.
- (h) Foremen are to be paid short term contract hourly rates when called in to supervise short term hourly work.

9:02 All overtime will be paid at one and one-half times (1.5x) the regular rate of pay.

- 9:03
- (a) Hours of Work Averaging Agreements (HWAA's) may be required to provide a competitive and acceptable service to the mines. These schedules may be instituted by mutual agreement between the Employer and the Union.
 - (b) Any operators who are on scheduled days off and are called into work will be paid eight (8) hours at straight time and three and one-half (3.5) hours overtime at the relevant rate of pay.

If you are called in on short notice, one and one-half times (1.5x) the applicable rate of pay shall apply for the entire shift. Short notice is defined as either four (4) hours prior to shift or after the shift has already started.

For the purpose of new long term contracts involving long term work, there will be a pre-job conference involving representation from the Union and the Employer to determine the scope of work.

9:04 No employee shall work more than one (1) straight time shift in each consecutive twenty-four (24) hour period. An employee shall continue to receive the overtime rate after each shift until a break of eight (8) consecutive hours occurs.

9:05 Employees will have the right to refuse overtime on their regular scheduled days off.

ARTICLE 10:00 - REPORTING AND CALL-OUT PAY

10:01 An employee who reports for work as scheduled without having been notified not to report and for whom no work is available, will be allowed three (3) hours pay at the rate of the job for which he was scheduled to report.

An employee who reports for and commences work, shall be paid at the applicable rate for a minimum of four (4) hours or hours worked, whichever is greater.

These payments shall apply only in cases where an employee discontinues work at the request of the Employer.

10:02 When an employee is called out to work on his regularly assigned period of rest, he will be paid for a minimum of three (3) hours at the applicable rate. The Employer may require an employee to perform work within his jurisdiction for the three (3) hour call-out.

10:03 If circumstances arise that there is no work available, one and one-half (1.5) hours' notice shall be given the employees who do not live in camp; one (1) hours' notice for those employees living in camp. If such notice is not given, the Employer shall pay reporting time set out in Clause 10:01.

The Employer shall provide notice for camp employees through a notice on the camp notice board or other means mutually agreed between the Employer and the Union. Employees who do not live in camp shall be provided notice through a telephone message service which they may call or other means mutually agreed between the Employer and the Union.

ARTICLE 11:00 - PAY DAYS

11:01 The Employer shall pay employees every two (2) weeks by direct deposit and not more than seven (7) calendar days shall be held back.

11:02 Employees shall be paid wages in full at the time of layoff or discharge or arrangements made whereby a direct deposit will be made not later than the following working day. When an employee quits, he shall be paid on the next regular payday.

11:03 In the event of any change in the pay cycle of the Employer, there will be notice given to employees at least one (1) month prior to the change.

11:04 Correction of Errors in Payment

(a) Underpayments

Where an employee has been underpaid an amount that is equal to or less than one (1) work day, the Employer will compensate the employee on the next payday. Where an employee has been underpaid an amount that is greater than one (1) work day, the Employer will compensate the employee within the next three (3) business day.

(b) Overpayments

If the Employer determines that an error of overpayment has occurred, the Employer shall give notice in writing to the affected employee of the amount of the error, how the amount of the error was calculated, and a plan, in writing, to recover the overpayment.

ARTICLE 12:00 – TRANSPORTATION

12:01 The Employer shall either supply daily transportation or pay the vehicle allowance contained herein from Fort McMurray to the jobsite and return. Employees shall report to a designated pickup point(s) within Fort McMurray in time to reach the project at the regular starting time of their designated shifts. If an employee uses his or her own vehicle at the request of the Employer, he or she shall be compensated at the rate of forty-five cents (\$0.45) per kilometer (Syncrude to be calculated at 100 km).

When the jobsite is in excess of the distance to the Neegan site office at Syncrude, the Employer shall supply daily transportation from Fort McMurray to and from the jobsite and pay actual travel time at the employee's straight time rate of pay from the Neegan site office at Syncrude to the project and return to the Neegan site office at Syncrude, notwithstanding Clause 12:03 below.

12:02 Suitable covered transportation daily from the camp to the work area and return, shall be provided. The employees shall report to the designated pickup point within the camp area in time to reach the project at the regular starting time of their designated shifts. The work day shall begin and end at the individual's work station. No travel time is payable under this Collective Agreement for the Mildred Lake Syncrude site.

12:03 Transportation allowance to Aurora is currently compensated at thirty-three dollars (\$33.00) per day worked and will be adjusted to equal future changes to Syncrude's transportation rate. Similar Collective Agreements will be negotiated for other sites north of Syncrude Mildred Lake as they occur.

If van drivers are required, drivers are to be paid (at the appropriate category) at an agreed driving time from the designated departure point to a central drop off point and return to same. Central departure and drop off point to be within the city limits and determined by the Employer and the passengers.

ARTICLE 13:00 - ROOM AND BOARD

13:01 (a) Room and Board shall only be provided to those employees on those contracts when room and board is provided and approved by the Project Owner under the terms and conditions of the Employer's contract with either the Prime Contractor or the owner of the project. Should the Project's Owner or Prime Contractor during the course of the work remove the provisions of free of charge or reimbursable Room and Board, then the Employer maintains the right to remove the provision of free issue Room and Board to the employee.

(b) A local resident shall be defined as a person who has maintained his principal residence in the Fort McMurray area for a period of three (3) months.

(c) Living Allowance will be paid on a bi-weekly basis to employees meeting the minimum six (6) shift criteria. It will be paid as follows: two hundred dollars (\$200.00), based on a minimum six (6) shift pay period.

13:02 The Employer shall provide room and board free of charge if such employee is prevented from working the regular assigned hours by illness or other legitimate causes. Such period not to exceed seven (7) days.

ARTICLE 14:00 - WORKING CONDITIONS

14:01 The Employer shall provide suitable sanitary facilities, (washrooms to be upgraded) hot water should be available at least in the shops area), propane-type toilets with hand cleaning supplies, including wet towels; a heated lunch room which shall not be used for storage of tools or equipment; and a lock-fast place for storage of employee's tools.

The Employer shall provide flush toilets in the area of the main shop.

It is understood and agreed by the Employer and the Union there will be unusual circumstances where it is not practical to provide a lunchroom and sanitary facilities such as a minimal number of employees working in an area removed from the normal work area. In such cases, a pickup truck or similar vehicle will be provided for the employee to eat his lunch if he does not have a heated cab not be used for storage of tools or equipment; and a lock-fast place for storage of employee's tools.

The Employer shall provide flush toilets in the area of the main shop.

It is understood and agreed by the Employer and the Union there will be unusual circumstances where it is not practical to provide a lunchroom and sanitary facilities such as a minimal number of employees working in an area removed from the normal work area. In such cases, a pickup truck or similar vehicle will be provided for the employee to eat his lunch if he does not have a heated cab.

14:02 The Employer shall provide reasonable protection from severe weather elements for all employees. When an employee is required to work in the rain, rainwear shall be supplied by the Employer. Such rainwear shall remain the property of the Employer and must be returned upon request by the Employer or upon termination of employment. Failing such return, the Employer is authorized to deduct the cost of the rainwear from the employee's pay.

14:03 All employees covered by this Collective Agreement shall be permitted ten (10) minutes in the first half and ten (10) minutes in the second half of a shift for a coffee break on the job during regular working hours.

14:04 When a mechanic as a condition of employment, is required to carry a full complement of tools, he shall before starting work for the Employer, submit an inventory of tools which will be checked by the management. Upon acceptance, the Employer shall insure those tools and toolbox at the agreed value against fire and theft of the complete unit of tools while on the Employer's premises.

14:05 When an employee works in a higher hourly wage classification he shall be paid the

higher rate for the entire half of the shift in which he works the higher classification.

14:06 Fresh drinking water in approved sanitary containers and paper cups will be provided and placed in convenient locations on all jobs.

14:07 The Employer shall supply a clothes locker, coveralls and laundering of same to those employees employed in the servicing and repair of equipment. All employees working under this Collective Agreement shall be supplied with gloves. The gloves shall remain the property of the Employer and will be replaced without charge when worn out gloves are presented for exchange. Operators will be issued coveralls for use when required.

Employees employed in the welding trade shall receive a better quality of coveralls, leathers as well as fire retardant coveralls (or parkas) during the winter months.

14:08 At no time will an employee be required to work in a lesser wage classification than that for which he was hired unless the employee agrees to the lesser wage classification in writing.

14:09 All employees employed as mechanics, welders, apprentice mechanics, apprentice welders, tire mechanics (tire men), service truck and lubricator persons and shop labourers will receive an industrial clothing allowance of three hundred dollars (\$300.00) tax free per year, to be paid annually on November 1st in the form of a prepaid voucher at a local industrial clothing supplier to be determined by the Employer. All eligible employees must have six (6) months prior continuous service to that date for articles of clothing not included in Clause 14:07.

14:10 The Employer will make every effort to ensure that all new heavy equipment purchased by the company will be equipped with heating and air-conditioning where conditions warrant. This may not apply to tree clearing equipment due to safety concerns.

ARTICLE 15:00 - ABSENCE FROM WORK

15:01 An employee who may be absent from work or late for work for any reason, shall notify his supervisor at least four (4) hours prior to the beginning of his shift, with the exception of day shift when the notification shall be two (2) hours. It is understood that in emergency circumstances, employees may not be able to provide the required notification.

15:02 The parties recognize that attendance at work by employees is important to the efficient operation of the Employer's business. Any undue or habitual absenteeism shall be cause for discipline of the employee including discharge. An employee who is absent without leave for a period of three (3) consecutive workdays without providing an acceptable reason to the Employer, shall be deemed to have abandoned his position and shall be treated as voluntarily quit.

ARTICLE 16:00 - BEREAVEMENT LEAVE

16:01 Bereavement leave with pay will be granted to a maximum of twenty-four (24) regularly scheduled hours at straight time rates in case of death in an employee's immediate family provided that the employee is directly involved in making funeral arrangements or attending the funeral. Immediate family shall include the employee's mother, father, brother, sister, spouse, common-law partner (regardless of gender), children, mother-in-law, father-in-law, grandchildren, grandparents, stepmother, stepfather, brother-in-law and sister in-law. The employee must return to work to qualify for payment and the Employer reserves the right to request satisfactory evidence of attendance at the funeral or involvement in making the funeral arrangements.

ARTICLE 17:00 – APPRENTICESHIP

17:01 Apprentices shall be paid in accordance with the appropriate regulations of the *Alberta Apprenticeship Act*.

17:02 All apprentices shall acquire and maintain basic hand tools required to carry out his apprenticeship training.

ARTICLE 18:00 - ACCIDENT PREVENTION AND SAFETY EQUIPMENT

18:01 It is understood and agreed that the parties to this Collective Agreement shall at all times comply with the accident prevention and safety regulations as stipulated by the Neegan Standard Practice for Health, Safety and the Environment, the Project's Owner's Safety, Health and Environment Program or the regulations of the *Occupational Health and Safety Act*. It is also agreed that any refusal on the part of the workman to perform his duties or to continue to perform his duties in contravention of the above noted Health and Safety regulations, shall not be deemed to be in violation of this Collective Agreement.

A violation of any regulation of the *Occupational Health and Safety Act* or any unsafe working practice shall be considered just cause for dismissal. The Employer shall notify the Job Steward at the time of any such occurrences.

18:02 Every potential employee shall submit to and pass the Employer's lawful designated drug and alcohol test prior to employment with the Employer on a project. Employees may also be required to submit to a lawful drug and alcohol test for just cause during the course of their employment. The Employer and the employee shall also adhere to such other lawful drug and alcohol tests as required by the site owner or Employer.

18:03 Employees must report all incidents to their supervisor immediately. It is understood that failure to report an incident may be grounds for discipline up to and including possible termination of employment.

18:04 As per Neegan's HSE management program, employee participation in the Employer's modified work program is mandatory. The parties agree that an

employee's failure to cooperate in the accommodation process may result in disciplinary action up to and including termination.

ARTICLE 19:00 - SPECIAL PROVISIONS

19:01 The selection and appointment of Lead Hand, Foremen and General Foremen shall be the sole responsibility of the Employer. The designation and determination of the number of Lead Hands, Foremen and General Foremen, should any be required, is the sole responsibility of the Employer.

When a Foreman is required and no qualified candidate is available from the Union hall, a Foreman may be recruited by the Employer. Such recruits shall be permitted into or become members of the Union within thirty (30) days.

19:02 (a) Lead hand shall be paid not less than one dollar (\$1.00) per hour above the highest classification supervised.

A Lead Hand is responsible for the correct completion of work but not for disciplinary action or other performance management activities, which are the responsibility of the Supervisor to whom the Lead Hand reports.

(b) Foremen shall be paid not less than two dollars (\$2.00) per hour above the highest classification supervised.

(c) Instructions will be through the foremen or general foremen when appointed under Clause 19:01.

(d) General Foremen shall be paid not less than three dollars (\$3.00) per hour above the highest classification supervised.

19:03 A Joint Labour-Management Committee consisting of representatives of the Employer and representatives of the Union shall be formed. The Committee will meet bi-annually to discuss matters of mutual concern with a view to maintaining and improving effective labour-management relations at all sites.

19:04 There shall be, during the term of this Collective Agreement, no slowdown, stoppage of work, picketing, strike, or walkout for any reason.

19:05 The Employer and the Union will cooperate in the implementation of aboriginal employment programs as appropriate.

ARTICLE 20:00 - EMPLOYER CONTRIBUTIONS

20:01 **Health and Wellness** -The Employer shall pay one dollar and seventy cents (\$1.70) per hour for each hour worked by each employee upon ratification and one dollar and seventy-five cents effective on the first Sunday in July, 2020 into the Operating

Engineers Local 955 Health and Wellness Trust Fund. The Employer agrees to be bound by the current Trust Deed presently in effect or as it may be amended.

The Employer shall, not later than the fifteenth (15th) of each month, mail Health and Wellness Trust Fund contributions for the previous month to the Office of the Trust Fund. Cheques are to be made payable to the Operating Engineers Local 955 Health and Wellness Trust Fund.

20:02 **Pension** - The Employer shall pay ten percent (10%) per hour of the employee's base rate of pay for each hour worked by each employee into the Operating Engineers Local 955 Pension Trust Fund. The Employer agrees to be bound by the current Trust Deed presently in effect or as it may be amended.

The Employer shall, not later than the fifteenth (15th) of each month, mail Pension Trust Fund contributions for the previous month to the Office of the Trust Fund. Cheques are to be made payable to the Operating Engineers Local 955 Pension Trust Fund.

20:03 **Training** - The Employer shall pay five cents (\$0.09) per hour for each hour worked by each employee into the Operating Engineers Local 955 Training Trust Fund. The Employer agrees to be bound by the current Trust Deed presently in effect or as it may be amended.

The Employer shall pay five cents (\$0.05) per hour for each hour worked by each employee into the Operating Engineers International Training Trust Fund. The Employer agrees to be bound by the current Trust Deed presently in effect or as it may be amended.

The Employer shall, not later than the fifteenth (15th) of each month, mail Training Trust Fund contributions for the previous month to the Office of the Trust Fund.

Cheques are to be made payable to the Operating Engineers Local 955 Training Trust Fund.

ARTICLE 21:00 - DURATION OF COLLECTIVE AGREEMENT

Except as otherwise specified herein, the Collective Agreement shall be in full force upon ratification and continue in effect until December 31st, 2022 and from year to year thereafter except as hereinafter provided.

The Union or the Employer may, not less than sixty (60) days and not more than one hundred and twenty (120) days immediately prior to the expiry date of the Collective Agreement, request the other party to the Collective Agreement to commence collective bargaining. Such notice shall be given by registered mail.

It being the intent of the parties to this Collective Agreement that negotiation be concluded and a new Collective Agreement signed prior to December 31st, 2022. It is the express intent of this provision to have concluded a new Collective Agreement or to have exhausted all the procedures as set out in the Labour Relations Code prior to the expiry date of the Collective Agreement.

If notice has been given by the Union, or the Employer, this Collective Agreement shall remain in full force and effect during any period of negotiations even though such negotiations may extend beyond the said expiry date, until the procedures in the Labour Relations Code have been exhausted. The parties to this Collective Agreement shall make every effort to complete the procedures in the Code and conclude a Collective Agreement prior to the expiry date.

Signed this ____ day of _____ 2019.

On behalf of:

Neegan Development Corporation Ltd.

International Union of Operating Engineers, Local Union No. 955

Dave Tuccaro, President

Chris Flett, Business Manager

Craig Jenkins, Chief Operating Officer

Mike Bourgeois, President, Assistant Business Manager

Letter of Intent – #1

Between Neegan Development Corporation Ltd. (hereinafter referred to as the “Company”) and the International Union of Operating Engineers, Local Union No. 955 (hereinafter referred to as the “Union”).

RE: Article 8:02 and 12:03 of the Collective Agreement

It is the intent and commitment of the Company and the Union to meet, as per Articles 8:02 and 12:03, before November 1st, 2019 to discuss and resolve the issues and concerns surrounding the noted articles to ensure that all matters within this agreement are dealt with in a fair and equitable manner to the members and the Company.

8:02 The Employer may require employees to work on Statutory Holidays in which event all time worked on a Statutory Holiday as specified in Clause 8:01 of this Article shall be paid at one and one-half times (1.5x) the regular rate of pay. If an employee is required to work on Christmas Eve, night shift; and Christmas day, day shift or New Year's Eve night shift and New Year's Day, day shift, that employee will receive an additional payment of eight (8) hours at their regular (straight time) rate of pay.

12:03 Transportation allowance to Aurora is currently compensated at thirty-three dollars (\$33.00) per day worked and will be adjusted to equal future changes to Syncrude's transportation rate. Similar Collective Agreements will be negotiated for other sites north of Syncrude Mildred Lake as they occur.

If van drivers are required, drivers are to be paid (at the appropriate category) at an agreed driving time from the designated departure point to a central drop off point and return to same. Central departure and drop off point to be within the city limits and determined by the Employer and the passengers.

Signed this ____ day of _____ 2019.

On behalf of:

**Neegan Development
Corporation Ltd.**

**International Union of Operating
Engineers, Local Union No. 955**

Dave Tuccaro, President

Chris Flett, Business Manager

Craig Jenkins, Chief Operating Officer

Mike Bourgeois, President

LETTER OF UNDERSTANDING #1

Between

NEEGAN DEVELOPMENT CORPORATION LTD.
(hereinafter referred to as the Employer)

and

**The INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL UNION NO. 955**
(hereinafter referred to as the Union)

RE: FORT HILLS

Whereas the parties discussed an hours of work averaging agreement for Employees working at Fort Hills during bargaining.

Whereas stated in the Alberta *Employments Standards Code*, hours of work averaging agreements must be in writing and specify the daily and weekly hours of work and specify the manner in which overtime will be calculated.

Therefore the parties agree as follows:

1. The Employees' work schedule will be seven days on, commencing on Wednesdays, seven days off, rotating dayshift and nightshift and is attached as Appendix "A".
2. The Employer will average Employees' hours of work over 12 weeks to determine entitlement to overtime pay.
3. Hours worked in excess of twelve hours in a day will be paid at 1.5x the regular rate of pay.
4. Hours worked in excess of an average 44 hours per week will be paid at 1.5x the regular rate of pay.
5. All hours worked outside of the Employees' regularly scheduled shift will be paid at 1.5x the regular rate of pay.

All of which is agreed this _____ day of _____, 2019

On behalf of:

**Neegan Development
Corporation Ltd.**

**International Union of Operating
Engineers, Local Union No. 955**

Dave Tuccaro, President

Chris Flett, Business Manager

APPENDIX 'A'

Neegan Fort Hills

28 Day Shift Cycle

Wed	Thu	Fri	Sat	Sun	Mon	Tue
DAYS	DAYS	DAYS	DAYS	DAYS	DAYS	DAYS

Wed	Thu	Fri	Sat	Sun	Mon	Tue
OFF	OFF	OFF	OFF	OFF	OFF	OFF

Wed	Thu	Fri	Sat	Sun	Mon	Tue
NIGHTS	NIGHTS	NIGHTS	NIGHTS	NIGHTS	NIGHTS	NIGHTS

Wed	Thu	Fri	Sat	Sun	Mon	Tue
OFF	OFF	OFF	OFF	OFF	OFF	OFF

LETTER OF UNDERSTANDING #2

Between

NEEGAN DEVELOPMENT CORPORATION LTD.
(hereinafter referred to as the Employer)

and

**INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL UNION NO. 955**
(hereinafter referred to as the Union)

Whereas the Oilsands Industry is continuing to see dramatic changes due to the collapse in the price of oil;

And Whereas the Employer is experiencing further cost-cutting, initiatives directed from the Project Owners;

And Whereas the parties need to ensure that the work currently performed by the Employer remains as Union Work;

Now Therefore the parties agree as follows:

1. The Bi-Weekly Living Allowance of two-hundred dollars (\$200.00) as defined in Article 13:00 Room and Board clause 13:01 (c) will be discontinued. This clause shall remain in effect for the duration of this letter of understanding and at that point will revert back to the original wording and intent that is outlined in the current Collective Agreement.
2. The following applies to newly hired Servicemen, existing Servicemen will be grandfathered at their existing classification/group:

Group 2 – Serviceman 1 – Operates B-Train, Combo Trucks

Group 3 – Serviceman 2 – Operates trucks greater than 2 ton, requires Class 5 license with air brakes endorsement

Group 4- Serviceman 3 – Operates trucks 2 ton or smaller, pumps fuel and/or DEF

It is agreed that in the event of layoffs Grandfathered employees will be the last employees to be laid off in their respective classification, unless they are Travel Cards, then Article 4.08 shall be followed.

3. All of the cost savings as a result of these changes shall be passed on to the client/owner and these changes will become effective April 1, 2017.
4. This Letter of Understanding will expire when the current Collective Agreement is no longer in effect.

All of which is agreed this ____ day of _____ 2019.

On behalf of:

**Neegan Development
Corporation Ltd.**

**International Union of Operating
Engineers, Local Union No. 955**

Dave Tuccaro, President

Chris Flett, Business Manager