

OPERATING ENGINEERS DISTRIBUTION
SYSTEMS AGREEMENT FOR CANADA

AGREEMENT made this first day of May, A.D.,
1988.

BY AND BETWEEN:

PIPE LINE CONTRACTORS ASSOCIATION
OF CANADA (hereinafter referred to as the
"Association" on behalf of those employers
of employees who have appointed or who
may appoint the Association as agent for
collective bargaining, those employers on
whose behalf the Association is accredited,
designated or registered as collective
bargaining agent and such other employers of
employees who may execute an acceptance
of the terms and provisions of this
Agreement as identified from time to time in
Schedule A attached hereto (hereinafter
referred to as the "Employer").

AND:

INTERNATIONAL UNION OF OPERATING
ENGINEERS (hereinafter referred to as the
"Union") and its Local Unions having pipeline
jurisdiction in Canada as identified in
Schedule B attached hereto (hereinafter
referred to as the "Local Union").

WHEREAS the Parties hereto desire to stabilize
employment in the pipeline sector of the
construction industry and agree upon hourly wage
rates, employee benefits and conditions of
employment.

NOW THEREFORE THIS AGREEMENT
WITNESSETH THAT the Employer and the Union,
in consideration of the mutual premises and
covenants herein contained, agree as follows:

1988/90

- 1 -

OE-D

APR 10 1989

0271402

ARTICLE I
COVERAGE AND DEFINITIONS

THIS AGREEMENT shall apply to and for the construction, installation, treating, reconditioning, taking-up, re-bevelling, re-laying, relocating, double-jointing and/or testing of all distribution systems or any segments thereof, including marine pipelines, transporting gas, oil, vapours, liquids, slurries, solids, or other transportable materials and underground and marine cables and all work incidental thereto or an integral part thereof coming within the jurisdiction of the Union, contracted for or performed by the Employer within Canada as such work is more fully described below. This Agreement may be extended to cover other territory.

A. DISTRIBUTION SYSTEMS shall include:

1. All pipelines for distribution of gas, oil, and/or products and water which are downstream from the first metering station or connection or the town border station and up to the industrial, commercial, or institutional meter.
2. All service lines including portions of such pipelines within private property boundaries up to and including the domestic meter, and the first joint or connection through the wall.
3. Distribution piping could be manufactured from iron, steel, aluminum, copper, brass, plastic or any other materials which might be substituted for the aforementioned.
4. Oil and gas gathering lines which connect directly from the well to the mainline or to or from products extraction or processing plants.

5. Pipelines constructed as underground cable conduits downstream from town border station or industrial, commercial, institutional, or residential meters.
6. Pipelines or pressurized liquids or slurries within the limits of cities or towns, other than service lines or laterals, the construction of which employs the same or similar methods, equipment or organization as used in performing the work described above.
7. All pipelines 6" diameter and under.

B. EXCLUSIONS from the coverage of this Agreement shall be:

1. Mainline pipelines as defined in and covered by the Operating Engineers Mainline Pipeline Agreement for Canada.
2. Such pipeline installation, repair, maintenance, replacement or reconditioning more particularly and usually defined as Industrial, Commercial, Institutional or Building Construction as may not be combined with or comprising an integral part of pipeline construction.
3. The Employer recognizes that the work excluded above is covered by other agreements and agrees to **be** bound by the applicable Union agreement on any such work.

C. DEFINITIONS of terms contained in and for purposes of this Agreement shall include:

1. "First metering station or connection" means that point which divides mainline transmission lines or higher pressure lateral and branch lines from lower pressure distribution systems. If a metering station or connection is located on a mainline transmission line,

then the mainline pipeline construction includes the construction of all pipelines up to the point at which lower pressure distribution systems take off from high pressure lateral and branch lines. This definition shall be interpreted as being subject to the definition of distribution work as contained herein.

2. "Town border station" means that point at which deliveries to the distribution systems begin and are transformed, metered, or measured.
3. "Apprentice Operator" means any person employed as a spotter, oiler, mechanic's helper, equipment repair welder's helper, serviceman's helper, boring machine apprentice or to operate equipment as follows:

Tow tractors without attachments; air compressors of under 300 C.F.M. capacity; boring machines of 2 inch diameter and under and pumps of under 4 inch diameter.

4. "Intermediate Operator" means any person employed as a greaser (on rack), bit grinder, tire serviceman, fourth class steam engineer, or to operate equipment as follows:

Tow tractors with attachments; air compressors of 300 C.F.M. capacity or greater; sidebooms; dozers; swing cranes; front end loaders; forklifts; auger-type backfillers of less than D-4 capacity; backfillers of less than SOW capacity; non-wheel type trenching equipment with or without attachments, regardless of mounting; hydra-hammers and mechanical pavement breakers; boring machines under 16 inch diameter and not less than 3 inch diameter; pumps of 4 inch diameter and larger; pipe padding Styrofoam pump;

waterheaters; screening and washing plants.

5. "Principal Operator" means any person employed as a mechanic, welder, drill doctor, third class steam engineer (and above), or to operate equipment as follows:

Sidebooms; dozers; swing cranes; front end loaders; motor patrols; forklifts; auger-type backfillers of D-4 capacity or greater; backfillers of 80W capacity or greater; wheel type trenching machines; bending machines; line travel cleaning and doping machines; backhoes, draglines; clams, cranes and other shovel-type equipment including industrial tractors with backhoe attachments; and boring machines of 16 inch diameter and larger.

6. "Spotter" means any person employed to assist a Principal Operator in the spotting, placing, maintaining or cleaning of equipment.
7. "Mechanic's Helper" means any person employed to assist a mechanic in the maintenance and repair of the equipment referred to herein.
8. "Lubrication and Service Unit Operator" means any person employed to service the equipment referred to herein and to operate the unit provided for that purpose.
9. "Dope Pot Fireman" means any person employed to operate a power agitated dope pot or kettle.
10. "Bead or Hot Pass Tractor" means either a crawler or rubber tired tractor including swamp type vehicles used for conveyance of bead and/or hot pass generators.

11. "Greaser" means any person employed at a "rack" to service vehicles.
 12. "A-Frame" means a dual purpose truck equipped with gin poles and winch when used to hoist, lower or erect material or to transport suspended loads.
 13. "Apprentice Mechanic" shall be employed in accordance with provincial governmental regulations or any joint labour-management apprenticeship plan acceptable to the Association.
 14. "Drill Doctor" means a person employed to maintain and repair drills and sharpen bits.
 15. "Bit Grinder" means a person employed exclusively to sharpen bits by grinding.
 16. "Power Mounted Drill" means a drilling unit where the prime mover is an integral part of the drill.
 17. "Serviceman's Helper" means any person employed to assist a Lubrication and Service Unit Operator in the servicing of the equipment referred to herein and the operation of the unit provided for that purpose.
 18. "Underwater Work" - When divers, tendermen, and deckhands are used in connection with the installation of underwater piping systems within the jurisdiction of the Union such work shall be performed by members of the International Union of Operating Engineers.
- D. All reference in this Agreement to the masculine gender shall apply also to the feminine gender.

ARTICLE II
SCOPE OF WORK

A. and when the Employer, or any shareholder(s) holding a major equity or control therein, shall perform or shall cause to be performed any work covered by this Agreement under its own name or under the name of another as a person, corporation, company, partnership, enterprise, associate, combination or joint venture this Agreement shall be applicable to all such work performed under the name of the Employer or the name of any other person, corporation, company, partnership, enterprise, associate, combination or joint venture.

B. All of the work covered by this Agreement shall be done under and in accordance with the terms and conditions of this Agreement whether done by the Employer and/or any sub-contractors. The Employer will engage those sub-contractors who employ only members of the Union, or who shall hire members of the Union for the performance of the subcontract. The Employer shall be responsible for enforcing the wages and conditions of this Agreement on the sub-contractor(s).

C. Owner-operated and manned rented equipment shall in no way be used to circumvent the intentions and provisions of this Agreement. When an owner-operator performs work for which he has been engaged and he works beyond three (3) working days he shall thereafter become an employee and be entitled to all of the provisions of this Agreement. All rental equipment shall be rented without operators, mechanics or servicemen, (excluding warranty service or inspection) unless the equipment owner is signatory to an agreement with the Local Union. Owner operators shall not include any mechanic, welder, serviceman, apprentice or any person who actually owns and/or provides more than one (1) machine listed within the classifications in this Agreement.

D. The work coming under the jurisdiction of the Union and covered by the terms of this Agreement includes all work performed by employees of the Employer engaged in the loading, unloading, repair, assembly, ~~disassembly~~, and operation of pipeline equipment referred to herein and other power operated equipment coming within the jurisdiction of the Union and utilized on pipeline construction. It is agreed that all dredging work and all work related thereto performed within the scope of this Agreement is recognized as the sole jurisdiction of the Union.

Notwithstanding the foregoing, the Employer shall, with respect to permanent repair shops be entitled to operate under either:

1. A new shop agreement to be entered into with the Union or Local Union, or
2. Any shop agreement existing with the Local Union within the local vicinity of the permanent repair shop.

E. Where, during the terms of this Agreement, industry development or practice results in a requirement for classifications or special conditions within the jurisdiction of the Union not provided for herein or in the respective appendices, the Association and the Union shall, within fifteen (15) days notice of either upon the other, commence negotiations the sole and restricted purpose of which shall be to establish such classifications or special conditions and the rates applicable thereto. In the event that such negotiations do not result in agreement upon such classifications 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 XIII G. Any hourly wage rate established shall become effective on the date upon which notice is given to commence negotiations.

F. In no event shall the Employer be required to pay higher rates of wages, or be subject to more unfavourable working rules than those established by the Union for any other Employer engaged in similar work.

G. This Agreement shall supersede all other Agreements between the parties or between any Employer and any Local of the Union for all work defined in Article I hereof.

H. If, for any reasons peculiar to a given geographical area, this Agreement requires amendment, the Union and the Local Union having jurisdiction in such area shall be entitled to enter into a memorandum with the Association giving effect to such amendment and any such memorandum shall not be construed as a breach of this Agreement.

I. If any provision of this Agreement is in conflict with the laws or regulations of Canada, or any province or territory in which work is to be performed, such provision shall be superseded by such law or regulation. Unless prohibited from doing so by such law or regulation, or by a ruling of any court or board of competent jurisdiction which has declared any provision of this Agreement invalid or inoperable, the Association 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 a 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 XIII G.

ARTICLE III
RECOGNITION AND SECURITY

A. The Employer recognizes the Un. as the sole bargaining authority for all employees covered by this Agreement and coming within the jurisdiction of the Union.

B. The Employer shall have the right to discharge men for just cause. The Employer, if requested by the Local Union, shall provide a termination slip which shall state the reasons for discharge or layoff occurring prior to job completion and whether the employee is eligible for re-hire.

C. All employees covered by this Agreement, as a condition of continued employment shall, commencing on the eighth (8th) day following the beginning of such employment, or the effective date of this Agreement, whichever is later, acquire and maintain membership in the Union during the term of their employment. Acceptance into membership shall be entirely at the discretion of the Local Union.

D. The Employer shall require of his employees, as a condition of employment, that an automatic deduction be made from the employee's pay of a sum equal to the regular monthly Union dues. The said dues shall be deducted from all employees who work five (5) days and/or forty (40) hours in a calendar month.

E. As a condition of employment each employee shall sign the proper authorization form which authorizes the Employer to deduct working dues, initiation fees and assessments from the employee's pay.

F. All dues, fees and assessments so deducted shall be remitted to the Local Union not later than the fifteenth (15th) of the month following, together with a list showing the amount deducted for each employee.

G. The Union shall select one of its Members who shall be recognized as Job Steward. If the Steward selected by the Union is objected to by the Employer for a valid reason, the Union shall select another Steward to whom the Employer has no reasonable objection. The Steward shall perform his duties the same as any other employee and shall not be discharged for Union activities. The Steward shall be allowed a reasonable amount of time during the working hours to perform the work of the Union but shall not abuse the privilege. There shall be no non-working Steward or Stewards.

H. The Job Steward shall be one of the first hired and shall be the last employee laid off in his classification provided he is competent to perform the work to be completed. The Local Union shall be notified prior to the termination of any Steward.

I. The Business Representative of the Local Union shall have access to any job at any time, providing notice is given to the available Employer's representative on the jobsite.

J. The Employer, upon receipt of written notice and reasons from the Union, shall discharge forthwith any employee who, as determined by the Union in its sole discretion, ceases to be a member in good standing of the Union upon suitable replacement being made available at the jobsite by the Local Union. Any such replacement shall be entitled to the travel allowances in accordance with Article X C.

K. In the event of lay-offs, the following procedure shall prevail by crew:

First laid off - non-members and/or applicants for membership;

Second laid off - members of other Locals, other than those hired under the provisions of Article V A 1 and 2;

Last laid off - members of the Local Union having jurisdiction.

L. The Union recognizes the Association as exclusive collective bargaining agent for those Employers with whom the Union or any of its Local Unions have established or may establish a bargaining relationship with respect to any and all work defined in Article I hereof.

M. The Union will file promptly with the Association a copy of any Collective Agreement, in the form adopted by the Canadian Pipeline Advisory Council, or any letter of agreement/recognition signed by an Employer and the Union or any of its Local Unions with respect to any and all work defined in Article I hereof.

N. The Association as exclusive bargaining agent for the Employer, shall co-operate with and support the Union in any initiative to institute multi-employer certification and the Union shall co-operate with and support the Association in any application for accreditation, designation or registration where such is provided for by law.

O. It is recognized that traditionally all work relating to pipeline construction, as defined in Article I hereof, comes solely within the trade jurisdiction of four (4) International Unions, commonly referred to as the "pipeline craft unions" namely: the Laborers International Union of North America; the International Union of Operating

Engineers; the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America; and the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada. The recognition of this historical precedent is hereby reaffirmed.

ARTICLE IV
JOB NOTIFICATION AND ENFORCEMENT

A. The Employer shall forward a job notification to the appropriate International Union Representative designated by the Union for the area involved and a copy for the Local Union(s) having territorial jurisdiction, immediately upon his knowledge of all work to be done by the Employer and/or all sub-contractors under the terms and conditions of this Agreement. The job notification form to be used is attached to this Agreement as Addendum A.

B. The Employer and the Local Union shall hold a Pre-job Conference before the start of the job, and the Local Union's representative at such conference shall be authorized by the Local Union to represent the Local Union for the entire area covered by the job within the territorial jurisdiction of the Local Union. The purpose of the Pre-job Conference shall be to define those matters outlined in the Pre-job Conference Report which is attached to this Agreement as Addendum B, but not including the changing of any of the conditions of this Agreement nor any interpretation of any of its clauses: it being agreed that any interpretation of this Agreement shall be made between the prime parties hereto so that proper application thereof may be made on the job.

C. On work of insufficient volume to warrant a Pre-job Conference, those matters outlined in the Pre-job Conference Report may, by mutual

agreement, be communicated between the Employer and the Local Union Representative prior to the commencement of work.

D. The Union will send a copy of this Agreement to each of its Local Unions having pipeline jurisdiction and the terms of this Agreement and none other shall be recognized by each Local Union and each Employer engaged in the same or similar work as defined in Article I hereof.

ARTICLE V HIRING PROCEDURE

A. At the Pre-job Conference the Employer may request and the Local Union shall clear:

1. Up to ten percent (10%) of the Principal Operators excluding mechanics, required for the job from other Locals of the Union and each such Principal Operator shall be entitled to perform only the work for which he is cleared. Up to one-half (½) of those Principal Operators cleared under this provision may commence employment at the start of the Right-of-way operations and the balance of those Principal Operators cleared under this provision may commence employment not prior to the start of the Pipe Gang operations.
2. Up to fifty percent (50%) of the mechanics, utility welders and lubrication and service unit operators required for the job who have been employed in the previous twelve (12) months and who are members of another Local of the Union. This ratio shall be maintained on a "one-to-one" basis for the duration of the **job**.

3. Previous employees who are members of the Local Union and who have been employed by the Employer within twelve (12) months prior to commencement on the job.

Thereafter the Employer shall notify the Local Union of all of his employee requirements and shall only hire those who have been cleared for work by the Local Union having jurisdiction.

B. The Local Union shall be given forty-eight (48) hours exclusive of Saturdays, Sundays, and holidays to supply the required employees but shall advise the Employer of expected delays in dispatching any employees within forty-eight (48) hours. Employees shall be entitled to Reporting Time upon arrival at the jobsite on the day designated by the Employer for arrival, if no work is provided.

C. All employees shall be in possession of a referral slip from the Local Union for identification purposes unless the Local Union otherwise clears an employee for hire by telegram, telex, or other means of written communication.

D. Subject to the terms and conditions of this Agreement, the Employer shall have the right to refuse any referral provided the cause for such refusal is stated and shall not be unreasonable.

E. If the Local Union is unable to supply the required employees in accordance with Clause B of this Article, the Employer may obtain employees elsewhere, subject to the provisions of Article III C.

F. In the event the Local Union is unable to provide employees, the Employer will provide every opportunity to any employee who has successfully completed a pipeline rating Engineers training course, and is approved by a joint training committee, and the employee will be admitted to membership in the Local Union in accordance with Article III C.

G. The Employer shall have the right to retain the original crew once established throughout the territory covered by the job for which the Pre-job conference was held.

H. The Employer shall have the right to re-start any interrupted job with the same crew laid off for Christmas or Spring breakup, provided such shutdown extends no longer than a twenty-one (21) calendar day period or has been a subject of the Pre-job Conference, and provided the laid off employees are available for such re-start. Any additional and/or replacement employees shall be engaged in accordance with Paragraph A of this Article.

ARTICLE VI WORKING RULES

A. Subject to the terms of this Agreement, the Employer shall determine the number of employees required.

B. There shall be no inequitable minimum or maximum amount of work which an employee may be required to perform during the working day, and there shall be no restrictions imposed against the use of any type of machinery, tools, or labour saving devices.

C. The operation, maintenance and repair of small machines which come under the jurisdiction of the Union such as pumps, air compressors, concrete mixers and well point systems and the

2 maintenance and repair of welding machines and
pneumatic tools shall be assigned to an employee
who is a member of the Union. In accordance
with Article VI A and B of this Agreement,
there shall be no limitation upon the number of
such machines placed under the operation, main-
tenance and repair of any employee, it being the
intention of the parties that there shall be no
abuse of this provision by either party.

D. At the discretion of the Employer, employees
may be changed from one classification to
another within the jurisdiction of the Union, sub-
ject to the employee being capable and qualified
to perform the work, provided however, the
classifications of employees referenced in Article
V E may not be changed without the consent of
the Local Union having jurisdiction. No
employee's hourly rate shall be lowered under
these provisions, and if an employee is assigned
to work calling for a higher rate of pay he shall
receive such higher rate of pay for the full day.

E. The regular pay day shall be not later than
Thursday of each week, unless the Employer
agrees to allow employees to draw on money
earned; under such conditions, pay day may be
once every two weeks. When employees are laid
off or discharged, their cheques for all earnings
due to them at the time of lay-off or discharge
must be delivered on the same date. If the che-
ques due to the employee at the time of layoff
or discharge are not delivered on the date of
layoff or discharge, the employee shall be
entitled to Reporting Time and Subsistence
Allowance or Camp Privileges, where applicable,
for each day up to and including the date upon
which the cheques are delivered.

F. The Employer shall make arrangements in
each locality where employees are employed to
enable such employees to cash their pay cheques
or, where it is impracticable to do so, will pro-
vide any employee within twenty-four (24) hours

written request with a cheque in the equivalent of subsistence allowance payable. Where camps are provided in remote areas devoid of normal banking facilities, the Employer shall in every reasonable effort to provide cheque cashing facilities, it being understood that where it is impracticable to do so, suitable substitute provisions shall be agreed at the Pre-job Conference. All cheques to be negotiable at par and be accompanied by a proper statement.

G. Upon commencement of employment, the employee shall make an inventory in duplicate on a form provided by the Employer of all tools including tool boxes which the employee is required to bring to the job. The employee and the Employer shall sign and retain one copy of such inventory which shall be amended to include any additional tools required to be brought to the job. The Employer shall ensure the replacement of the inventoried tools and/or tool boxes when lost by fire, flood or theft by forcible entry.

H. The Employer shall provide a copy of the "Approved Safety Manual for Pipeline Construction in Canada" issued by the Association to the Job Steward and, upon request, to any other employee.

I. The parties hereto shall comply with any governmental occupational health and safety regulations applicable to the work. Any refusal by the employee to work in contravention of such regulations shall not be deemed to be a breach of this Agreement and shall not be a reason for discharge.

J. After due warning any refusal by an employee to abide by any applicable accident prevention regulation of any governmental or appropriate regulatory body having jurisdiction, shall be cause for discharge.

K. The Employer shall not require any employee to operate unsafe or improperly loaded equipment and an employee may refuse, for valid reasons, to operate such equipment until defects have been remedied. Roll-over protection devices and canopies for cabs will meet CSA standards as a minimum when these standards are available.

L. The Job Steward shall represent the Union as a member of any Job Safety Committee and he, or another committee member representing the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada; the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America; or the Laborers International Union of North America, depending upon the nature of the inspection, shall be made freely available by the Employer to accompany any authorized governmental representative on project inspection.

M. A Job Safety Committee meeting shall be held within two weeks after the commencement of the job and thereafter at least once each month. A copy of the Minutes shall be forwarded promptly to the Local Union.

N. The Employer shall provide safety hats at cost, such cost to be deducted from the employee's earnings and refunded at such time as the employee returns his hat in reasonable condition subject to normal wear and tear.

O. The Employer shall provide drinking water in approved sanitary containers and paper cups where no running tap water is available. During the summer months the Employer shall supply salt tablets or an available substitute.

P. Employees will be permitted time to drink coffee at their work stations during working hours provided that this will be done in such a manner as will least interfere with continuous performance of the work.

Q. Where the nature and location of the work, as determined at the Pre-job Conference, are such as to require special clothing for protection from severe weather elements and such clothing is not normally in the possession of the employee, the Employer shall provide or, at his option, reimburse the cost of such clothing.

R. The Employer shall not require any employee to operate or repair equipment which does not provide reasonable protection from weather elements. Such protection may be provided by available factory accessories or reasonable substitutes but this clause shall not be interpreted so as to make the installation of cabs mandatory. An employee may refuse to operate such equipment until defects have been remedied.

S. The Employer shall provide gloves and coveralls to each employee who normally comes in contact with hot dope and gloves for all mechanics, welders and service men.

T. The Employer will provide parking at the warehouse and/or marshalling point. During cold weather operation the Employer will provide for vehicle starting.

U. The Employer shall provide portable sanitary facilities for all employees.

ARTICLE VII
WAGE RATES AND CLASSIFICATIONS

Classif. ons and the hourly wage rates applicable thereto are contained in the Appendices attached to and forming part of this Agreement.

ARTICLE VIII
EMPLOYER CONTRIBUTIONS

Rates at which the Employer shall contribute for each hour of work paid for with respect to each employee employed under the terms of this Agreement to jointly administered funds are contained in the Appendices attached to and forming part of this Agreement. These rates are to be increased as subsequently established by Boards of Trustees. Any such increase will not apply to work bid or in progress on the date the Local Union(s) notifies the Association of the increase.

A. In the event that a member in good standing of the Union is employed as a Foreman or in some other capacity not covered by the terms and conditions of this Agreement the Employer shall make the prescribed contributions to the Health and Welfare and Pension Plans on his behalf.

B. Contributions shall be recorded on a remittance form and remitted to the designated recipient of such contributions on or before the fifteenth (15th) day of the month following the month for which contributions are to be made. If after seven (7) days of receipt of written notification given by double registered mail, the Employer has failed to pay all contributions which are due and payable under this Agreement for two consecutive months, the Employer shall be required to post a performance bond equivalent to the amount of contributions for each employee for the duration of the project and/or term of this Agreement.

C. All such funds due and payable to the above funds shall be deemed and are considered to be Trust Funds. It is expressly understood that training funds and industry promotion funds are not wages or benefits due to an employee.

D. The Board of Trustees of the respective Trust Funds shall have authority to promulgate such agreements, plans and/or rules as may be necessary or desirable for the efficient and successful operation and administration of the said Trust Funds, including provisions for audit security, surety and/or penalty to the extent that such may be necessary for the protection of the beneficiaries of such Trust Funds.

E. Any and all agreements, plans or rules established by the Boards of Trustees of the respective Trust Funds shall be appended hereto and shall be deemed to be part of and expressly incorporated herein and the Employer and the Union shall be bound by the terms and provisions thereof.

ARTICLE IX OVERTIME AND HOLIDAY PAY

A. The work week shall begin Monday and shall end Sunday. The hours of work are contained in the Appendices attached to and forming part of this Agreement.

B. If one of the holidays specified in any of the appendices referred to in Paragraph A above falls on Sunday, it shall be observed on Monday. Work performed on Monday will be paid for at double the straight time hourly rate. If no work is performed on Monday no pay shall be required. In the event that one of the above holidays falls during the work week the Employer and the Local Union, by mutual consent, may designate an alternate day to be substituted for such holiday in order to provide, where possible, for a long weekend during the pay period.

C. Vacation and statutory holiday pay shall be ten percent (10%) of total earnings of an employe which shall be deemed to include the Employe obligation to make similar payments covering vacation and statutory holiday pay by applicable governmental orders or regulations. Where applicable governmental orders or regulations require payment in excess of the percentages provided for herein, payment shall be made in accordance with such orders or regulations. On July 1st, December 1st, or at termination of employment, whichever first occurs, the employee will receive vacation pay in accordance with the applicable legislation and the balance of the employees accruals will be regarded as statutory holiday pay.

ARTICLE X WAREHOUSE AND TRAVEL

A. When the Employer elects to provide a camp, the warehouse shall be established at the camp-site. Where such camp is provided, the Employer shall supply free room and board to all employees covered by this Agreement.

B. When a camp is provided, it shall meet the requirements of the Canadian Pipeline Camp Standards which are appended hereto.

C. The Employer shall select a warehouse or marshalling point in a city, town or community where living accommodations are available or at a location agreed at a Pre-job Conference. The Employer shall make suitable and prompt transportation available from the warehouse or marshalling point. Such transportation shall be operated in compliance with the appropriate regulations of the governmental Board or appropriate regulatory body having jurisdiction and all vehicles shall be equipped with adequate seating for adults.

D. On jobs where camps are not provided, employees who are not local residents **shall** receive a subsistence allowance as set forth in the respective appendices.

E. A local resident is a person who has resided within forty (40) kilometers of the warehouse for a period of sixty (60) days prior to his commencement of employment on the job.

F. The time of men shall start when the men leave the warehouse for the jobsite and shall end at quitting time on the jobsite; however, the lunch period shall be excluded. Should the trip to the warehouse at the end of the shift exceed one (1) hour the Employer shall pay the equivalent of one-half (½) hour at the applicable rate for that day for each thirty (30) minutes or portion thereof travelled in excess of one-half (½) hours.

G. Any employee called for by the Employer or dispatched by the Union shall be entitled to travel expense as follows:

1. After fifteen (15) scheduled working days on the job, or at job completion, whichever first occurs, twenty-five cents (25¢) per highway kilometer via the shortest route from the city where he was hired to the point of commencement of employment, less the cost of any transportation (not to exceed the cost of a commercial airline ticket) provided by the Employer. Reporting time days shall be included in computing the fifteen (15) days.

- 25
2. After twenty-one (21) scheduled working days **on** the job if he is performing his work **satisfactorily** and is terminated by the Employer or is terminated through **circumstances** beyond the control of the Employer or himself, or at job completion, whichever is later, return travel expense at twenty-five cents (25¢) per highway kilometer via the shortest route from point of termination of employment to city of hire, less any remaining unrecovered cost of transportation (not to exceed the cost of a commercial airline ticket) provided by the Employer.

ARTICLE Xi
REPORTING AND CALL BACK TIME

A. Reporting time for all Operating Engineers shall be paid as follows:

1. Five (5) hours pay at the applicable rate for that day to any employee who reports for work at the scheduled starting time and for whom no work is provided.
2. Five (5) hours pay at the applicable rate for that day to any employee who reports for work and performs work of not more than four (4) hours duration.
3. On jobs set up on not more than eight (8) hours per day, eight (8) hours pay at the applicable rate for that day to any employee who performs work of more than four (4) hours duration and **is** then prevented from completing a day's work for any reason.

B. Call back time of four (4) hours or the number of hours actually worked, whichever is the greater, at the applicable rate for that day to any employee who, having completed work that day or having qualified for reporting time as above, has been released for the day and is then called back to work by the Employer.

C. Hours paid under the provisions of A and B above shall be included in computing the forty (40) hour week after which overtime is payable.

D. Notwithstanding the provisions of A and B above, any employee who leaves the jobsite without specific direction from his foreman to do so shall not be entitled to pay for any hours not worked.

E. Notwithstanding the provisions of A and B above, when any employee refuses to work or to continue to work, or there is a work stoppage attributable to a labour dispute, no pay for hours not worked shall be required.

ARTICLE XII WORK STOPPAGES, SECONDARY BOYCOTTS, AND JURISDICTIONAL DISPUTES

A. There will be during the terms of this Agreement and as to any work covered hereby, no slowdown, stoppage of work, no strike and no lockout over the terms and conditions of this Agreement, it being the good faith and intention of the parties hereto that by the execution of this Agreement, industrial peace shall be brought about and maintained, that the parties shall cooperate to the end that work may be done efficiently and without interruption. In the case of any violation of this Agreement, the Employer and the Union shall be notified.

ARTICLE XIII
GRIEVANCE PROCEDURE

A. When an allegation is made that discharge of an employee is unjust or that this Agreement has been otherwise violated, the Job Steward or Business Manager or his representative of the Local Union shall attempt to resolve the difference on the job with the Foreman or Superintendent of the Employer during which time there shall be no stoppage of work.

B. If the difference is not resolved or where a difference arises between the Employer and the Union or a Local Union relating to the interpretation application or administration of this Agreement, the difference of opinion or dispute, including any question as to whether a matter is arbitrable, shall be resolved without stoppage of work in the following manner.

C. If the difference is not resolved within forty-eight (48) hours of the occurrence, the aggrieved party shall submit the difference and the remedy sought in writing to the Executive Secretary of the Association and the International Representative of the Union within sixty (60) days of occurrence, or in the case of alleged unjust discharge, within ten (10) days of occurrence. Failure to submit the difference in writing within the specified time periods shall result in the matter being deemed to be waived. The foregoing time limitations shall not apply where there has been failure or refusal to remit employer contributions or deductions from employees as provided for in this Agreement.

D. Upon receipt of the matter complained of in writing, the Executive Secretary and the International Representative shall take such steps within forty-eight (48) hours as they deem necessary to attempt to adjust such difference of opinion or dispute. If the difference is not resolved within five (5) days of receipt of writ-

ten submission, the Executive Secretary and the International Representative may, upon mutual agreement of the parties, refer the matter to a Pipeline Industry Grievance Panel.

E Where the parties agree to refer the matter to a Pipeline Industry Grievance Panel, such Panel shall be drawn from among the regular and alternate members of the Canadian Pipeline Advisory Council or their designated substitutes. The Chairman of the Advisory Council shall appoint two (2) representatives of the participating Unions and the Chairman of the National Labour Relations Committee shall appoint two (2) representatives of the participating Association Members to serve on the Panel, such appointment to be made within forty-eight (48) hours.

In no case and at no time shall representatives of the Union or the Employer involved in the grievance be appointed to the Panel.

F, The Pipeline Industry Grievance Panel shall meet and render a decision within five (5) days of appointment. A unanimous decision of the Panel shall be final and binding.

G. In the event that the parties do not agree to the Panel procedure or the Panel arrives at a majority decision which either party to the dispute is unwilling to accept, or the Panel is unable to arrive at a decision within the prescribed time limits, the matter shall be referred, within forty-eight (48) hours, to an Arbitrator selected by the Employer and the Union. if no Arbitrator can be agreed upon within forty-eight (48) hours, then application shall be made to the appropriate governmental authority over labour matters for the appointment of an Arbitrator. The Arbitrator shall render his decision within fourteen (14) days, however, this time limit may be extended by mutual consent.

The decision of the Arbitrator shall be final and binding.

The Arbitrator shall have the right to determine whether any matter referred to him is arbitrable. He shall also have the authority to award compensation or any other relief he deems advisable to an aggrieved employee. He shall not alter, amend or change the terms of this Agreement. Each party shall equally share the expense of the Arbitrator.

ri. Pending settlement of any grievance, it is agreed that the work shall be prosecuted without slowdown, work stoppage or lockout.

ARTICLE XIV CANADIAN PIPELINE ADVISORY COUNCIL

There shall be maintained throughout the term of this Agreement a Canadian Pipeline Advisory Council consisting of one International Representative of the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada; one International Representative of the International Union of Operating Engineers; one International Representative of the Laborers International Union of North America; and one International Representative of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, together with an equal number of representatives of the Association. The Council shall act, whenever possible, to settle matters of dispute which arise from time to time and any other matters concerning the harmonious relationships between the parties hereto under the terms and provisions of this Agreement.

ARTICLE XV
LIABILITY

A. The Pipe Line Contractors Association of Canada is acting merely as a **Collective** Bargaining Agent in the negotiation and execution of this Agreement, and in no event will the Association be bound as a principal **or be** liable in any manner for any breach of this Agreement by any individual Employer.

B. It is agreed that the International Union of Operating Engineers shall not **be** liable for activities in violation of this Agreement by any Local Union or its officers and agents, nor shall it **be** subjected to claims **or** lawsuits relative thereto. It is further agreed that the International Union of Operating Engineers, upon receipt of notice of activities by an autonomous Local Union which are in violation of this Agreement, shall make every effort to resolve the situation: provided, however, it is understood that by making such effort the international Union of Operating Engineers does not thereby assume any liability whatever.

ARTICLE XVI
EFFECTIVE DATE, TERMINATION, AND RENEWAL

A. This Agreement shall become effective on the first day of May, A.D., **1988**.

B. The provisions of this Agreement shall continue in full force and effect until the thirtieth (30th) day of April, A.D., 1990 and thereafter from _____ to year unless terminated at the option of either Party after sixty (60) days notice in writing to the other Party prior to the expiry date.

C. Either Party to this Agreement may, no more than one hundred twenty (120) days prior to the terminal date, request the other Party to commence collective bargaining. Such notice to be given by registered mail.

D. If notice to negotiate has been given by either Party, this Agreement shall remain in force and effect during any period of negotiations in accordance with established legislative and/or governmental authority.

E. Nothing contained herein shall prevent the Parties agreeing to retroactivity.

IN WITNESS WHEREOF, we, the undersigned hereby attach our hands and seals to **this** Agreement concluded at the City of Toronto, in the Province of Ontario, the 4th day of July, A.D., 1988.

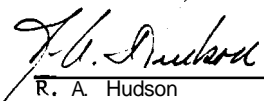
PIPE LINE CONTRACTORS ASSOCIATION OF CANADA:



R. A. Coolsaet
President



B. L. Brown
Executive Director

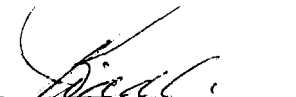


R. A. Hudson
Chairman,
Distribution Negotiating
Committee

INTERNATIONAL UNION OF OPERATING ENGINEERS:



N. B. Coutts
Gen. Vice-president
& Regional Director



J. V. Biddle
International
Representative

SCHEDULE A

EMPLOYERS BOUND BY THE
OPERATING ENGINEERS
PIPELINE AGREEMENTS FOR CANADA

The Pipe Line Contractors Association of Canada represents as agent for collective bargaining with the International Union of Operating Engineers the following Employers of employees in the pipeline construction industry within Canada in accordance with applicable legislation:

ALBERTA

By Registration:

Alberta Mobile Air Compression Services
Antagon Pipelines Company Ltd,
Banister Pipelines
Bechtel Canada Limited
Bolder Concrete Ltd,
Canadian Subaqueous Pipelines Ltd,
Canapipe Construction Ltd,
Carbrook Contracting Ltd,
Carmax Truck Lines Ltd,
Cedar Mechanical Co. Ltd,
Chinook Construction & Engineering Ltd,
Cliffside Pipelayers Ltd,
Consamar Inc.
Continental Electric Ltd,
R.L. Coolsaet of Canada Ltd,
J.L. Cox & Son, Inc.
Dillingham Construction Ltd,
Dresser Industries Inc.- Dresser Titan
Eveready Industrial Services Limited
Formac Pumping Services Limited
Geleman Enterprises Ltd,
Genstar Construction Limited
O.E. Hamlyn Drillers Limited
Henuset Bros. Ltd,
Henuset Construction Ltd,
Interpro Contractors Ltd,
T.W. Johnstone Company Limited

Junior Service & Repair Ltd.
 K-R-M Construction
 Kaps Entrepouse Ltd.
 Kaps Transport Ltd.
 Kordyban Transport (1980) Ltd.
 Lackie Pipestringing Ltd.
 Leonard Pipeline Contractors Ltd.
 Long Branch Contractors Ltd.
 Loram International Ltd.
 Lorenzo Environmental Contractors Ltd.
 McCaws Drilling & Blasting Ltd.
 Majestic Contractors Limited
 Marine Pipeline Construction of Canada
 Limited
 MHG International Ltd.
 Mi-Pal Holdings Ltd.
 Milbar Hydro-Test Ltd.
 National Caterers Ltd.
 Noceta Enterprises (1981) Ltd.
 Nor-Can Construction Ltd.
 Nor-Pipe Construction Limited
 North American Construction Ltd.
 Northern Construction Company Ltd.
 O.J. Pipelines Inc.
 Opron Construction Co. Ltd.
 Pancana Associated Contractors Ltd.
 Pashco Blasting Ltd.
 Pat McNulty Ltd.
 Pe Ben Industries Company Ltd.
 Pe Ben Pipelines (1979) Ltd.
 Pentzien Canada, Inc.
 Permanent Concrete
 Premay Pipeline Hauling Ltd.
 H.C. Price of Canada Ltd.
 Rok Pipeline Inc.
 Ron May Trucking and Excavating Ltd.
 RPA Contracting Ltd.
 Sartori & Son Company Limited
 Seggow Construction & Clearing Ltd.
 Sie-Mac Heavy Haulers Ltd.
 Robert B. Somerville Co. Limited
 Spie Construction Inc.
 Square M Construction Limited
 Sulcon Pipeline Weights Ltd.
 Supernal Welding and Consulting Ltd.

Totran Transport Ltd.
True Test Pipeline Services
Universal Pipe Line Enterprises Ltd.
Vancouver Pipeline Construction Ltd,
Western Reclamation Services
Whip-Line Crane Services Ltd.
Wonderly and Kershaw Petrochemical
Services Ltd.

BRITISH COLUMBIA

By Accreditation:

Alberta Mobile Air Compression Services
Banister Pipelines
Bartsch Pipe Welding Limited
Bolder Concrete Ltd.
Canadian Bechtel Limited
Canadian Subaqueous Pipelines Ltd.
Caird Mechanical Contractors Ltd.
Chinook Construction & Engineering Ltd.
Dillingham Pipeline Construction Ltd.
Dresser Titan Div. of Dresser industries
English & Lepage Ltd.
Ideal Welders Ltd.
Interpro Contractors Ltd.
C. Victor Koran Ltd.
Leonard Pipeline Contractors Ltd.
Loram International Ltd.
Majestic Wiley Contractors Limited
Marine Pipeline Construction of Canada
Limited
Pat McNulty Limited
Northern Construction Company
Pashco Blasting Ltd.
Pe Ben Industries Company Ltd.
Permanent Concrete
H.C. Price of Canada Ltd.
V.R. Price Welding & Mechanical Ltd.
Procan Industries Ltd.
RPA Contracting Ltd.
Totran Transport Ltd.

By Appointment:

Banister Pipelines
Bolder Concrete Ltd.
Cliffside Pipelayers Ltd.
Consamar Inc.
Continental Electric Ltd.
R.L. Coolsaet of Canada Ltd.
J.L. Cox & Son, Inc.
Dillingham Construction Ltd.
Formac Pumping Services Limited
O.E. Hamlyn Drillers Limited
T.W. Johnstone Company Limited
Kordyban Transport (1980) Ltd.
Lackie Pipestringing Ltd.
Majestic Contractors Limited
Marine Pipeline Construction of Canada
Limited
National Caterers Ltd.
Nor-Pipe Construction Limited
O.J. Pipelines Inc.
Pashco Blasting Ltd.
Pe Ben Industries Company Ltd.
Pe Ben Pipelines (1979) Ltd.
Pentzien Canada, Inc.
Permanent Concrete
Premay Pipeline Hauling Ltd.
Rok Pipeline Inc.
RPA Contracting Ltd.
Sartori & Son Company Limited
Sie-Mac Heavy Haulers Ltd.
Robert B. Somerville Co. Limited
Spie Construction Inc.
Supernal Welding and Consulting Ltd.
True Test Pipeline Services
Universal Pipe Line Enterprises Ltd.

MANITOBA, NEWFOUNDLAND, NEW BRUNSWICK,
NOVA SCOTIA, NORTHWEST TERRITORIES,
PRINCE EDWARD ISLAND, SASKATCHEWAN,
AND YUKON TERRITORY

By Appointment:

Banister Pipelines
Bolder Concrete Ltd.
Cliffside Pipelayers Ltd.
Consamar Inc.
Continental Electric Ltd.
R.L. Coolsaet of Canada Ltd.
J.L. Cox & Son, Inc.
Dillingham Construction Ltd.
Formac Pumping Services Limited
O.E. Hamlyn Drillers Limited
T.W. Johnstone Company Limited
Kordyban Transport (1980) Ltd.
Lackie Pipestringing Ltd.
Majestic Contractors Limited
Marine Pipeline Construction of Canada
Limited
National Caterers Ltd.
Nor-Pipe Construction Limited
O.J. Pipelines Inc.
Pashco Blasting Ltd.
Pe Ben Industries Company Ltd.
Pe Ben Pipelines (1979) Ltd.
Pentzien Canada, Inc.
Permanent Concrete
Premay Pipeline Hauling Ltd.
Rok Pipeline Inc.
RPA Contracting Ltd.
Sartori & Son Company Limited
Sie-Mac Heavy Haulers Ltd.
Robert B. Somerville Co. Limited
Spie Construction Inc.
Supernal Welding and Consulting Ltd.
True Test Pipeline Services
Universal Pipe Line Enterprises Ltd.

ONTARIO

By Accreditation:

Alberta Mobile Air Compression Services
Antagon Pipelines Company Ltd.
Banister Pipelines
Bechtel Canada Limited
Beaver Pipeline Construction Limited
Bolder Concrete Ltd.
J.W. Cain Limited
Canadian Subaqueous Pipelines Ltd.
Catre Pipeline
C.S.I. Hydrostatic Testers
Robert Christoph
Cliffside Pipelayers Ltd.
Consamar Inc.
Continental Electric Ltd.
R.L. Coolsaet of Canada Ltd.
J.L. Cox & Son, Inc.
Curran Construction Ltd.
Dillingham Pipeline Contractors Ltd.
Robert J. Fierheller
Formac Pumping Services Limited
General Pipeline Contractors Limited
G.M. Gest Inc.
H.B. Contracting Ltd.
O.E. Hamlyn Drillers Limited
Huron Pipelines Limited
Inter-Provincial Construction Limited
T.W. Johnstone Company Limited
Joyce-Leonard Canada Ltd.
Kel-Gor Limited
Kordyban Transport (1980) Ltd.
Lackie Pipestringing Ltd.
Lakeland Pipelines Ltd.
Loram International Ltd.
Majestic Contractors Limited
Mannix Company Limited
Marine Pipeline Construction of Canada
Limited
McDace Limited

Pat McNulty Co. Ltd
Mortele Cove Lumley Ltd.
Milbar Hydro-Test Ltd.
National Caterers Ltd.
Nicholls-Radtke & Associates Limited
Nor-Pipe Construction Limited
Northern Construction Company Ltd.
O.J. Pipelines Inc.
Pancana Associated Contractors Ltd.
Pashco Blasting Ltd.
Pe Ben Industries Company Ltd.
Pe Ben Pipelines (1979) Ltd.
Pemrow Pipelines Construction Ltd.
Pentzien Canada, Inc.
Permanent Concrete
Premay Pipeline Hauling Ltd.
Premier Pipelines Limited
H.C. Price of Canada Ltd.
ROK Pipeline Inc.
RPA Contracting Ltd.
Sartori & Son Company Limited
Sie-Mac Heavy Haulers Ltd.
Snow Bros. Construction Limited
Sombra Welding Limited
Robert B. Somerville Co. Limited
Spie Construction Inc.
Superior Pipeline Contractors Ltd.
SupernaL Welding and Consulting Ltd.
True Test Pipeline Services
Universal Pipe Line Enterprises Ltd.
John Vail Pipeline Contractors
Waynco Ltd.
L.M. Welter Ltd.
Wiley Oilfield Hauling Ltd.
Williams Pressure Service Ltd.

SCHEDULE B

INTERNATIONAL UNION OF
OPERATING ENGINEERS

LARRY DUGAN Jr., General President
1125 - 17th St. N.W., Washington, D.C. 20036
(202) 429-9100

PAUL McBRIDE, Pipeline Representative
1125 - 17th St. N.W., Washington, D.C. 20036
(202) 429-9100

N.B. COUTTS, General Vice-president &
Regional Director, Canadian Reg. Office
105-17704-103rd Ave., Edmonton, Alta. T5S 1J9
(403) 483-0421

INTERNATIONAL REPRESENTATIVES (CANADA)

British Columbia and Yukon Territory:

J.V. BIDDLE
302-4211 Kingsway, Burnaby, B.C. V5H 1Z6
(604) 438-1616

Alberta, Manitoba, Saskatchewan, & N.W.T.:

A. PSHEKNOVEK
P.O. Box 1923, Strathmore, Alta. T3O 0H0
(403) 934-4414

Ontario:

J.V. BIDDLE
302-4211 Kingsway, Burnaby, B.C. V5H 1Z6
(604) 438-1616

Quebec:

LEO McBREARTY
202 - 69 Jarry St. E., Montreal, Quebec,
H1R 1Y1
(514) 326-9412

Atlantic Provinces:

EDGAR DOULL
P.O. Box 695, Kentville, N.S., B4N 3X9
(902) 678-9950

LOCAL UNIONS WITH PIPELINE JURISDICTION IN
CANADA WHOSE SIGNATURES TO THIS
AGREEMENT ARE APPENDED:

British Columbia - Local 115
F.G. RANDALL, Business Manager
4333 Ledger Ave., Burnaby, B.C., V5G 3T3
(604) 291-8831 Telex: 04-354627

Alberta - Local 955
N. B. COUTTS, Supervisor
11933 - 106th Ave., Edmonton, Alta., T5H 0S2
(403) 452-7484 Telex: 037-2063

Saskatchewan - Local 870
E.W. COWLEY, Business Manager
P.O. Box 1112, Saskatoon, Sask., S7K 3N2
(306) 665-7718

Manitoba - Local 901
JAMES HOPKIE, President & Business Mgr.
1008 Wall St., Winnipeg, Manitoba, R3G 2V3
(204) 786-8658

Ontario - Local 793

J.F. KENNEDY, Business Manager
30 Commercial Rd., Toronto, Ontario, M4C 1Z6
(416) 425-8710

Quebec - Local 905

JEAN-MARC MORIN, Business Manager
202 - 4869 Jarry St. E., Montreal, Quebec,
H1R 1Y1
(514) 326-9412

Nova Scotia - Local 721

EDGAR DOULL, Assistant Supervisor,
P.O. Box 237, Lower Sackville, N.S., B4C 2S9
(902) 865-8844

New Brunswick - Local 946

BRUCE DUGUAY, Business Manager
Box 955, Saint John, N.B., E2L 4E3
(506) 672-9360

Newfoundland - Local 904

DERM CAIN, President & Business Manager
P.O. Box 356, St. John's, Nfld., A1C 5J9
(709) 726-1910

Prince Edward Island - Local 902

BLAIR McKINNON, President,
P.O. Box 244, Charlottetown, P.E.I., CIA 7K4
(902) 892-3663

OPERATING ENGINEERS DISTRIBUTION
 TERMS AGREEMENT FOR CANADA
 BRITISH COLUMBIA & YUKON TERRITORY

A. WAGE RATES AND CLASSIFICATIONS:

1. The classifications and hourly wage rates applicable thereto shall be as follows:

	May 1 1988	May 1 1989
Apprentice Operator	\$16.33	\$17.24
Intermediate Operator	18.28	19.19
Principal Operator	19.20	20.11

2. The hourly wage rates for the Job Steward shall be fifty cents (50¢) per hour above the regular rate for his classification.
3. Mechanics and Lubrication and Service Unit Operators shall receive an allowance for coveralls for each hour of work performed of thirteen cents (13¢).

B. SUB-CONTRACTORS:

The Employer shall engage only those Sub-contractors having an agreement with the Local Union prior to commencing work. In the event a Sub-contractor fails to make payment of wages, or benefits and conditions as contained in this Agreement, the prime contractor shall upon written notice, by the Union of such payroll failure be required to make the necessary payments.

APPENDIX I - CONTINUED

C. EMPLOYER CONTRIBUTIONS

The rates of contributions will be as provided for in the local agreements. Contributions will be paid on each hour of work earned with respect to each employee:

1. Health & Welfare Fund:
May 1, 1988 - \$1.45 per hour
2. Training Fund:
May 1, 1988 - 31¢ per hour
3. Pension Fund:
May 1, 1988 - \$2.20 per hour
4. Tool Replacement Fund:
May 1, 1988 - 8¢ per hour
5. Operating Engineers Advancement Fund:
May 1, 1988 - 32¢ per hour
6. Pipeline Industry Promotion Fund:
May 1, 1988 - 11¢ per hour
The Pipeline Industry Promotion Fund shall be administered by a Board of Trustees appointed by the Pipe Line Contractors Association of Canada.

APPENDIX 1 - CONTINUED

D. OVERTIME AND HOLIDAY PAY

1. All hours worked by an employee in excess of eight (8) hours per shift and forty (40) hours per week and all hours worked on Saturday shall be paid for at the rate of one and one-half times the straight time rate. All hours worked on Sunday shall be paid for at the rate of double the straight time rate. Work performed on New Year's Day, Heritage Day, Good Friday, Easter Monday, Victoria Day, Dominion Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day, and any such day proclaimed a general holiday by the Federal or Provincial Governments shall be paid for at the rate of double the straight time rate, provided that where one of the holidays above mentioned falls during the work week, the forty (40) straight time hours shall be reduced to thirty-two (32) for the purposes of computing overtime during that week.

E. WAREHOUSE AND TRAVEL

1. On all work where the marshalling point is established north of 56° 31' latitude the Employer will provide room and board unless otherwise agreed at the Pre-job Conference.
2. If by reason of the distance to the work or the Employer's requirements, an employee is required to work away from his point of hire or the Employer's base of operations, and cannot be expected to return daily, such employees shall receive subsistence allowance of seventy-five dollars (\$75.00) per working day.

APPENDIX I - CONTINUED

In the event that such employee elects to reside at his permanent residence and is required to provide his own transportation to and from the work daily, he shall receive a travel allowance of twenty-five cents (25¢) per highway kilometer over the shortest route for all kilometers travelled in excess of forty (40) kilometers daily each way up to a maximum amount equivalent to the subsistence allowance payable. In the event that an employee is required to work three hundred twenty-five (325) kilometers or more away from his point hire, such employee shall receive subsistence allowance on a calendar day basis.

F. WORKING DUES

1. The hourly working dues shall be calculated at one and one-half percent (1½%) of the Principal Operator hourly wage rate and shall be deducted from each employee covered by this Agreement for each hour for which wages are payable.

TRAINING ENGINEERS DISTRIBUTION
 TERMS AGREEMENT FOR CANADA
 ALBERTA, SASKATCHEWAN, MANITOBA,
 AND N.W.T.

A. WAGE RATES AND CLASSIFICATIONS:

1. The classifications and hourly wage rates applicable thereto shall be as follows:

	May 1 1988	May 1 1989
Apprentice Operator	\$13.51	\$14.42
Intermediate Operator	16.18	17.09
Principal Operator	17.30	18.21

2. The hourly wage rates for the Job Steward shall be fifty cents (50¢) per hour above the regular rate for his classification.
3. Mechanics and Lubrication and Service Unit Operators shall receive an allowance for tools and coveralls for each hour of work performed of fifteen cents (15¢) payable at July 1st, December 1st or at termination of employment, whichever first occurs.

B. EMPLOYER CONTRIBUTIONS:

The rates of contributions will be as provided for in the local agreements. Contributions will be paid on each hour of work earned with respect to each employee.

1. Health and Welfare Fund:

Alberta, Saskatchewan, & N.W.T. -
 May 1, 1988 - 50¢ per hour

Manitoba -
 May 1, 1988 - 55¢ per hour
 Oct. 1, 1989 - 60¢ per hour

APPENDIX 2 - CONTINUED

2. Training Fund:
 - Alberta, & N.W.T. -
May I, 1988 - 5¢ per hour

 - Saskatchewan -
May 1, 1988 - 7¢ per hour

 - Manitoba -
May I, 1988 - 10¢ per hour

3. Pension Fund:
 - Alberta, Saskatchewan, & N.W.T. -
May I, 1988 - 75¢ per hour

 - Manitoba -
May I, 1988 - \$1.00 per hour
Oct. I, 1988 - \$1.25 per hour

4. Pipeline Industry Promotion Fund:
 - May 1, 1988 - 11¢ per hour
 - The Pipeline Industry Promotion Fund shall be administered by a Board of Trustees appointed by the Pipe Line Contractors Association of Canada.

- C. OVERTIME AND HOLIDAY PAY
 1. All hours worked by an employee in excess of forty (40) hours per week and all hours worked on Saturday shall be paid for at the rate of one and one-half times the straight time rate. All hours worked on Sunday shall be paid for at the rate of double the straight time rate. Work performed on New Year's Day, Good Friday, Victoria Day, Dominion Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day, and any such day proclaimed a general holiday by the Federal or Provincial Governments and any day recognized in the Construction Industry in each geographical area shall be paid at the rate of double the straight time rate.

APPENDIX 2 - CONTINUED

D. WAREHOUSE AND TRAVEL

1. C If work where the marshalling point is established north of 56° 31' latitude the Employer will provide room and board unless otherwise agreed at the Pre-job Conference.

2. If by reason of the distance to the work or the Employer's requirements, an employee is required to work away from his point of hire or the Employer's base of operations, and cannot be expected to return daily, such employees shall receive subsistence allowance of seventy-five dollars (\$75.00).

In the event that such employee elects to reside at his permanent residence and is required to provide his own transportation to and from the work daily, he shall receive a travel allowance of twenty-five cents (~~25¢~~) per highway kilometer over the shortest route for all kilometers travelled in excess of forty (40) kilometers daily each way up to a maximum amount equivalent to the subsistence allowance payable. In the event that an employee is required to work three hundred twenty-five (325) kilometers or more away from his point of hire, such employee shall receive subsistence allowance on a calendar day basis.

THIS PAGE IS BLANK

40

OPERATING ENGINEERS DISTRIBUTION
TEMS AGREEMENT FOR CANADA
ONTARIO

A. WAGE RATES AND CLASSIFICATIONS:

1. The classifications and hourly wage rates applicable thereto shall be as follows:

	May 1 1988	May 1 1989
(a) Counties of Kent, Elgin, Huron, Perth, Bruce, Grey, Oxford, Brant, that portion of Wellington southwest of Burloak Line, and the Regional Municipalities of Waterloo and Haldimand-Norfolk:		
Apprentice Operator	\$14.28	\$14.96
Intermediate Operator	16.95	7.64
Principal Operator	18.07	8.75
(b) County of Middlesex:		
Apprentice Operator	\$14.51	\$ 5.42
Intermediate Operator	17.18	8.09
Principal Operator	18.30	9.21
(c) County of Simcoe and Regional Municipality of Niagara:		
Apprentice Operator	\$14.92	\$15.60
Intermediate Operator	17.59	18.27
Principal Operator	18.71	19.39
(d) Ontario Labour Relations Board Areas 8 and 9 (Metro Toronto and the Regional Municipalities of Peel, York and Durham):		
Apprentice Operator	\$15.37	\$16.51
Intermediate Operator	18.05	19.18
Principal Operator	19.16	20.30

APPENDIX 3 - CONTINUED

	May 1 1988	May 1 1989
--	---------------	---------------

(e) All other areas of Ontario:

Apprentice Operator	\$15.15	\$16.05
Intermediate Operator	17.82	18.73
Principal Operator	18.94	19.85

- The hourly wage rates for the Job Steward shall be fifty cents (50¢) per hour above the regular rate for his classification.
- Mechanics and Lubrication and Service Unit Operators shall receive an allowance for tools and coveralls for each hour of work performed of fifteen cents (15¢) payable at July 1st, December 1st or at termination of employment, whichever first occurs.

B. EMPLOYER CONTRIBUTIONS:

The rates of contributions will be as provided for in the local agreements. Contributions will be paid on each hour of work earned with respect to each employee.

- Health and Welfare Fund:
 - Clay 1, 1988 - 70¢ per hour
 - May 1, 1989 - 75¢ per hour
- Training Fund:
 - May 1, 1988 - 13¢ per hour
- Pension Fund:
 - May 1, 1988 - \$1.30 per hour
 - Clay 1, 1989 - \$1.50 per hour
- Pipeline industry Promotion Fund:
 - Clay 1, 1988 - 11¢ per hour

The Pipeline Industry Promotion Fund shall be administered by a Board of Trustees appointed by the Pipe Line Contractors Association of Canada.

C. OVERTIME AND HOLIDAY PAY

1. During the period October 1 to March 31, all hours worked by an employee in excess of eight (8) hours per shift and in excess of forty (40) straight time hours per week shall be paid for at the rate of time and one-half the straight time rate. During the period April 1 to September 30, all hours worked by an employee in excess of nine (9) hours per shift and in excess of forty-five (45) straight time hours per week shall be paid for at the rate of time and one-half the straight time rate. All hours worked on Saturday shall be paid for at the rate of time and one-half the straight time rate and all hours worked on Sunday shall be paid for at the rate of double the straight time rate. Work performed on New Year's Day, Good Friday, Victoria Day, Dominion Day, First Monday in August, Labour Day, Thanksgiving Day, Christmas Day, Boxing Day and any such day proclaimed a general holiday by the Federal or Provincial Governments and any day recognized in the Construction Industry shall be paid for at the rate of double the straight time rate, provided that where one of the holidays above mentioned falls during the work week, all hours worked by an employee in excess of ten (10) hours per shift and forty (40) straight time hours that week, and all hours worked on Saturday, shall be paid for at the rate of time and one-half the straight time rate.

D. WAREHOUSE AND TRAVEL

1. If by reason of the distance to the work or the Employer's requirements, an employee is required to work away from the Employer's permanent base of operations where he was hired and cannot be expected to return daily, such employee shall receive a subsistence allowance of sixty dollars (\$60.00), and effective May 1, 1989, sixty-five dollars (\$65.00), per working day. In the event that an employee is required to work three hundred twenty-five (325) kilometers or more away from his point of hire, such employee shall receive subsistence allowance on a calendar day basis.

In the event the Employer establishes additional temporary bases of operations, an employee shall receive a travel allowance for each working day of twenty-five cents (25¢) per kilometer over the shortest route for all kilometers travelled in excess of forty (40) kilometers daily each way up to a maximum of sixty dollars (\$60.00), and effective May 1, 1989, sixty-five dollars (\$65.00), per day for the distance travelled between the Local Union dispatch office and the job, or his permanent residence and the job, whichever is less.

E. HIRING PROCEDURE

Notwithstanding the provisions of Article V.A.3, the Employer shall have the right to name request up to fifty percent (50%) of the required new employees who are members of the Local Union.

OPERATING ENGINEERS DISTRIBUTION
 § EMS AGREEMENT FOR CANADA
 , L W BRUNSWICK, NOVA SCOTIA,
 PRINCE EDWARD ISLAND
 AND NEWFOUNDLAND

A. WAGE RATES AND CLASSIFICATIONS:

1. The classifications and hourly wage rates applicable thereto shall be as follows:

	May 1 1988	May 1 1989
Apprentice Operator	\$11.30	\$12.21
Intermediate Operator	13.86	14.77
Principal Operator	14.83	15.74

2. The hourly wage rates for the Job Steward shall be fifty cents (50¢) per hour above the regular rate for his classification.
3. Mechanics and Lubrication and Service Unit Operators shall receive an allowance for tools and coveralls for each hour of work performed of fifteen cents (15¢) payable at July 1st, December 1st or at termination of employment, whichever first occurs.

B. EMPLOYER CONTRIBUTIONS:

The rates of contributions will be as provided for in the local agreements. Contributions will be paid on each hour of work earned with respect to each employee.

APPENDIX 4 - CONTINUED

1. Health and Welfare Fund:
 - New Brunswick -
May 1, 1988 - **45¢** per hour
 - Prince Edward Island -
May 1, 1988 - **25¢** per hour
 - Newfoundland & Nova Scotia -
May 1, 1988 - **20¢** per hour
2. Pension Fund:
 - New Brunswick & Nova Scotia -
May 1, 1988 - 35¢ per hour
 - Newfoundland -
May 1, 1988 - **25¢** per hour
3. Training Fund:
 - May 1, 1988 - **5¢** per hour
4. Pipeline Industry Promotion Fund:
 - May 1, 1988 - 11¢ per hour
 - The Pipeline Industry Promotion Fund shall be administered by a Board of Trustees appointed by the Pipe Line Contractors Association of Canada.

C. WAREHOUSE AND TRAVEL

1. If by reason of the distance to the work or the Employer's requirements, an employee is required to work away from his point of hire or the Employer's base of operations, and cannot be expected to return daily, such employees shall receive subsistence allowance of sixty dollars (\$60.00) per working day.

59

APPENDIX 4 - CONTINUED

In the event that such employee elects to reside at his permanent residence and is required to provide his own transportation to and from the work daily, he shall receive a travel allowance of twenty-five cents (25¢) per highway kilometer over the shortest route for all kilometers travelled in excess of forty (40) kilometers daily each way up to a maximum amount equivalent to the subsistence allowance payable. In the event that an employee is required to work three hundred twenty-five (325) kilometers or more away from his point of hire, such employee shall receive subsistence allowance on a calendar day basis.

D. OVERTIME AND HOLIDAY PAY

1. All hours worked by an employee in excess of forty-four (44) hours per week and all hours worked on Saturday shall be paid for at the rate of one and one-half times the straight time rate. All hours worked on Sunday shall be paid for at the rate of double the straight time rate. Work performed on New Year's Day, Good Friday, Victoria Day, Dominion Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day, and any such day proclaimed a general holiday by the Federal or Provincial Governments and any day recognized in the Construction Industry in each geographical area shall be paid at the rate of double the straight time rate, provided that where one of the holidays above mentioned falls during the work week, the forty-four (44) straight time hours shall be reduced to thirty-six (36) for the purposes of computing overtime during that week.