

AGREEMENT

BETWEEN

NORTHERN TRANSPORTATION
COMPANY LIMITED
(hereinafter called the "Company")

and

THE CANADIAN MERCHANT SERVICE GUILD

REPRESENTING MASTERS,
DECK AND ENGINEER OFFICERS
(hereinafter called the "Guild")

ARTICLE 1: PREAMBLE

PURPOSE OF AGREEMENT

- 1.01 The general purpose of this Agreement is to ensure for the Company, the Guild and the Deck and Engineer Officers, as defined herein and employed by the Company on Vessels, the full benefit of orderly and legal collective bargaining and to ensure to the utmost extent practicable, the safety and physical welfare of the said Deck and Engineer Officers, economy of operation, standard of service and protection of property. It is **recognized** by this Agreement to be the duty of the Company, the Guild and the Deck and Engineer Officers to cooperate fully, individually and collectively for the advancement of said conditions.

ARTICLE 2 SCOPE

- 2.01 The term "Officer" or "Officers" wherever used in this Agreement shall mean all Masters, Deck Officers and Engineer Officers employed by the Company on Vessels owned and or operated by the Company. The term "Vessel" shall not be deemed to include any floating dry dock.
- 2.02 This Agreement applies to operations in the Mackenzie River Watershed, Hudson Bay, **Beaufort** Sea (including Alaska) and other areas of Canadian Arctic waters. In the event of operations in other areas of Canada, the Company and the Guild shall meet to discuss the new operations.

ARTICLE 3 JURISDICTION

- 3.01 It is **recognized** that the Company comes within the jurisdiction of the Department of Labour of of Canada and other Government Departments having jurisdiction.

**ARTICLE 4
RECOGNITION**

- 4.01 The Company **recognizes** the Guild as the sole collective bargaining agency for all Officers with respect to rates of pay, hours of work and other conditions of employment in this Agreement.
- 4.02 (a) The company **recognizes** the Guild as the source of supply for all Officers covered by this Agreement and will request the same from the Guild. The Company agrees to employ only members in good standing. Furthermore, the Guild and the Company agree that in order to facilitate the efficient and expeditious operations of the Company's enterprise, and to enhance and **maximize** the employment opportunities of local residents and particularly aboriginal people, the Guild will accept the Company's request to employ qualified and reliable personnel for the local area to fill vacancies as they occur from time to time and/or promote qualified Licensed Personnel **from** within the Company.
- (b) In order to assist the Guild in obtaining all Officers as members, the Company will provide the Guild with the names of all present and new Officers.
- (c) The Guild and the Company will cooperate and participate fully in the implementation of the Employment Equity Act.
- 4.03 Any Officer not obtained through the Guild and not a member of the Guild, shall as a condition of employment, make application to the Guild for membership within thirty **(30)** days of employment with the Company.
- 4.03 Effective from the date of signing of this Agreement, the Company shall deduct, on a pro rata monthly basis, during each Season of Navigation, from the salaries due and payable to each Officer, an amount equal to the annual membership fees and such assessments that from time to time are constitutionally established by the Guild.
- 4.05 The Company shall deduct initiation fees as for the time being constitutionally established by the Guild. Signing of the Company's commencement forms shall serve as the employee's **authorization** for the Company to deduct such dues.
- 4.06 All deductions made pursuant to this Article will be forwarded to the Guild, attention of the Secretary-Treasurer, within thirty **(30)** days of the deduction where practicable, together with a list showing the names of the Officers to whom the deductions are to be credited.
- 4.07 The Company agrees to pay to the Guild twenty thousand dollars **(\$20,000.00)** for the calendar year **2000**, twenty-one thousand five hundred dollars **(\$21,500.00)** for the calendar year **2001**, and twenty-three thousand two hundred fifty dollars **(\$23,250.00)** for the calendar year **2002**, for the purpose of maintaining the hall, hiring board and dispatcher required, except where there is a stoppage of work, slowdown or strike by the Licensed Personnel.

**ARTICLE 5
NO DISCRIMINATION**

- 5.01** The Company agrees not discriminate against or intimidate any member of the Guild for his/her activities on behalf of or for membership in the Guild.

**ARTICLE 6
NO CESSATION OF WORK**

- 6.01** There shall be no strikes, lock-outs, tie-ups, slow-downs or stoppages of work for any cause whatsoever under the terms of this Agreement. It is the intent of the Company and the Guild that all controversies regardless of their nature shall be settled amicably and harmoniously under the terms of this Agreement. Refusal to pass through a legal picket line shall not be construed as a violation of this Clause.
- 6.02** Definition for the purpose of the section – “A Legal Picket Line is a picket line which has not been declared illegal.”

**ARTICLE 7
GRIEVANCE PROCEDURE**

- 7.01** An Officer who feels that he/she has been treated unjustly or considers himself/herself aggrieved, should within ten **(10)** days or the **first** practical opportunity first discuss the problem with the Manager Marine Operations or the Manager Marine Maintenance. Failing satisfactory settlement within ten **(10)** days, the Licensed **Officer** may present his/her grievance in writing to the Manager Human Resources or his/her delegate within ten **(10)** days of the response **from** the manager marine Operations or the Manager Marine Maintenance.
- 7.02** Difference which cannot be resolved directly between the Company and the Officer(s), which arise **from** the interpretation or alleged violations of the provisions of the Agreement, shall be handled in the following manner:
- 7.03** At the first practical opportunity, after the alleged grievance has arisen, the Guild through its Accredited Representatives, shall present the grievance, in writing, to the Company's Representatives. In no event shall the written grievance be presented later than thirty **(30)** days following the Officer's last day worked in the season of navigation during which the alleged grievance arose.
- 7.04** The written grievance shall set out the nature of the grievance, the section **(s)** alleged to have been violated and the remedy sought. Either party may, at its discretion and expense, require the Officer(s) concerned to be present and to give evidence, regarding the dispute. Failing resolution of the written grievance within ten **(a0)** days of its receipt by the Company, the grievance may be referred to arbitration within thirty **(30)** additional days.
- 7.05** The written Grievance Procedure shall be carried out at the Company's Head **Office** or at such other place as the Guild and the Company mutually agree upon, in writing.-

ARTICLE 8 ARBITRATION

- 8.01 If the grievance is not satisfactorily concluded within the time set forth in Section 7.03 and 7.04, the grievance arising **from** the interpretation or alleged violation of the Agreement may be referred by either party to a Board of Arbitration.
- 8.02 The party desiring to arbitrate and establish an Arbitration Board, under this procedure, shall appoint an Arbitrator and shall notify the other party of the appointment to the Arbitration Board.
- 8.03 The party receiving such notice shall within **five (5)** days thereafter, appoint an Arbitrator and shall advise the other party of the appointment to the Arbitration Board.
- 8.04 The Company and the Guild shall mutually agree upon the appointment of a third Arbitrator and the third Arbitrator shall act as Chairman of the Arbitration Board. Should the parties fail to agree on the appointment of the third Arbitrator within a period of seven **(7)** days **after** the appointment of the last Arbitrator, the parties shall request the Federal Minister of Labour to appoint an independent Chairman.
- 8.05 The Arbitration Board shall meet at the Company's Head Office or such other place as the Guild and the Company agree upon, in writing, within ten **(10)** days from the date of the appointment of the Chairman for the purpose of hearing the grievance. A written record of the grievance previously submitted and the resultant decision shall be presented to the Arbitration Board. The Board's decision shall be confined to determining the issues therein *set* out.
- 8.06 The Arbitration Board shall sit, hear the parties and endeavour to make its award within seven **(7)** days from the close of the hearings. The Arbitration Board shall deliver its award, in writing, to each party and the award of the majority shall be the award of the Arbitration Board, The award shall be final and binding on the parties to the Arbitration and they shall carry out the award forthwith.
- 8.07 The Company and the Guild shall respectively assume any expenses incurred in connection with the preparation and presentation of their own case, including fees and expenses of their witnesses and/or the fees and expenses of their appointment to the Arbitration Board. Any expenses in connection with the appointment of the Chairman shall be equally divided between the Company and the Guild.
- 8.08 The Arbitration Board shall have the power to determine whether a particular issue is **arbitrable** But shall not have the power to alter any terms of the Agreement, nor to substitute new provisions for existing provisions, nor to give any decision which is inconsistent with the terms of this Agreement.
- 8.09 Time frames mentioned herein, may be extended by mutual agreement between the Company and the Guild, however, in the event that either party fails to proceed with the time frames set out or otherwise mutually agreed to, the grievance will be deemed to have been abandoned.

- 8.10** As an option to the three person Arbitration Board, the two parties, if both desire and agree, may appoint a single Arbitrator to hear any grievance arising from the interpretation or alleged violation of the Agreement. The parties shall agree on the selection of a mutually acceptable Arbitrator. The Arbitrator, where practicable, will adhere to the time guidelines, as specified under Article 8.06.

ARTICLE 9 DISCHARGE

- 9.01** In the event that an Officer is discharged for cause, the Company shall inform the Guild promptly in writing of the Officer's discharge and such discharge may be made a subject of grievance provided the presentation of the grievance is made in accordance with Article 7, with the exception that the grievance must be presented within ten (10) days after the discharge.
- 9.02** If the grievance should be settled in the Officer's favour, he/she shall be reinstated and paid his/her regular salary for the time lost, since the date of his/her discharge, less any monies earned by the officer during such period. Upon reinstatement, there shall be deemed to have been no break in such Officer's continuous service.

ARTICLE 10 SECURITY

- 10.01** The Company, the Guild and all Officers agree that operations involving each Vessel and the Vessel's crew shall be in compliance with the requirements of the Federal Government, the Government of the Northwest Territories and the Canada Shipping Act.
- 10.02** Officer shall comply with Company policies and direction. Company manuals will be made accessible to Officers. Such Company regulations shall not conflict with any provision of the Canada Shipping Act or the Collective Agreement.
- 10.03** No alcohol, non-prescribed drugs, or firearms, shall be possessed or consumed by an employee while working and/or travelling for or on behalf of the Company. This provision shall not apply while travelling on commercial carriers or while staying in commercial accommodation. While travelling on Company or client aircraft, all Officers may be submitted to searches of their person and baggage by company and/or client personnel.
- 10.04** When working under this Agreement, the Officer agrees that he/she shall not supply or disclose, either during the course of this Agreement or at any time thereafter, whether verbally or in writing, to any person(s), firm(s), or corporation(s) all or part(s) of any information or knowledge which he/she learns concerning the Company client or the client's affiliates including, without intending to limit the generality of the foregoing, any information or data concerning the drilling operations of the clients.
- 10.05** The Guild and the Company agree to fully comply with the Canada Shipping Act and the Canada Labour Code with particular reference to Part II, Occupational Safety and Health Regulations.

**ARTICLE II
MANAGEMENT RIGHTS**

- 11.01** The Guild **recognizes** the right of the Company to manage and direct the Company's business in all respects in accordance with its commitments and responsibilities, and to make and alter from time to time, rules and regulations to be observed by Officers, which rules and regulations shall be subject to the provisions of this Collective Agreement.

**ARTICLE 12
HEALTH AND SAFETY**

- 12.01** (a) The Company agrees to take reasonably appropriate measures as deemed necessary with a view to ensuring that employees, during their course of employment, work in a safe and healthy environment.
- (b) The Company and the Guild agree to encourage the Officer to work in a safe manner and the Officers shall observe the safety and health rules and practices established by the Company, the Canada Shipping Act, or Labour Canada **from** time to time, as a measure of protection for themselves and others. Officers failing to abide by safety rules and regulations may be subject to disciplinary action and/or dismissal.
- (c) It is the duty and responsibility of each Officer to be conversant with all Company manuals, rules and practises, to know the guidelines provided and to act accordingly to those guidelines and in accordance with the provisions of the Canada Shipping Act, United States Regulations and the Labour Canada Regulations.

Joint Union Health and Safety Committee

- 12.02** A Joint Union and Company health and Safety Committee shall be established for all vessels each season. The purpose of the Committee shall be to promote safe, healthy working conditions, practises and procedures.

Special Examinations/Safety and Health Representative

- 12.03** Hearing tests shall be conducted annually by the Company for all permanent Officers arriving prior to June 7. Any permanent Officer arriving after that date shall be reimbursed for a hearing test conducted in his or her home port.
- (a) The Company agrees to conduct appropriate tests of employees and of the work Environment including noise level readings as deemed necessary by the Company and/or **Labor** Canada with a view to ensuring a safe work environment.
- (b) Each Vessel will have a designated Safety and Health Representative who will exercise the **functions** under the Canada Labour Code. The Safety and Health Representative shall be the Chief Engineer.
- (b) Asbestos control issues will be referred to the Health and Safety Committee.

Medical Examinations

- 12.04.1 (a) Where the Company requires an Officer to undergo a specific medical, hearing, or visual examination by a designed qualified practitioner, the examination will be conducted at no expense to the Officer.
- (b) Results of all specific medical, hearing, or visual examinations will be made available to the Officer upon request.
- (c) Officers shall **authorize** that requested specific medical, hearing or visual examination information be supplied to the Company.
- (d) Officers shall not refuse to take such specific medical, hearing, or visual examinations.
- (d) When an Officer is deemed not to be medically fit to perform **his/her** duties by a doctor, to which the Officer was referred by the Company, the Officer before he/she is released or goes on disability or sick leave shall be given the opportunity of being examined by his/her doctor at his/her expense. Should the opinions of these doctors conflict, the Company and the Guild shall arrange for a third medical opinion. The cost of the third opinion shall be shared equally by the Company and the Officer.
- (e) Transport Canada regulations require that all Officers be in possession of a valid and current Transport Canada approved medical certificate. It is required that this certificate be obtained prior to departure from the Officers home port or residence. It is agreed that the Company will reimburse the Officer for the cost of the medical examination (up to **\$125.00**), and the Officer shall provide the Company with a receipt for same.

Emergency Duties

- 12.05 Any work necessary for the safety of the Vessel, passengers, crew or cargo, or for the saving of other Vessels, lives or cargoes, shall be performed at any time on immediate call by all Officers, notwithstanding any provision of this Agreement which might be construed to the contrary. In no event shall overtime or cargo time be paid for work performed in connection with such emergency duties. The determination of an emergency situation will be at the discretion of the Master.
- 12.06 Officers shall not claim salvage on a Company Vessel which has come into mishap.

Drills

- 12.07 Lifeboat and other emergency drills shall be held as required by regulations under the direction of the Master.

Reporting of Accidents

- 12.08 Officers will as soon as is practicable report to their immediate or designated supervisor all personal injury, accidents, and/or damage to Company and customer equipment, vehicles, cargo and facilities.

- 12.09 Officers shall complete and present to their Supervisor a Workers' Compensation Accident Report or other required Accident Reports within twenty-four (24) hours of the time of the accident.

Safety Items

- 12.10 Offices must wear hard hats, safety footwear, hearing protection and life jackets in designated areas.
- 12.11 Officers shall not enter fuel tanks, water tanks, etc., without proper safety precautions being taken as required by Safety Rules and Regulations.
- 12.12 Any Officer, who, while in the employment of the Company, suffers loss of clothing and personal effects through marine disaster, Vessel disaster or mishap, shall be compensated by the payment of up to one thousand two hundred fifty dollars (**\$2,000.00**), according to the loss sustained. In special cases involving the loss of tools or navigational equipment, additional compensation of up to one thousand two hundred fifty dollars (**\$2,000.00**) will be considered. A list of tools, equipment or significant monetary valued clothing or personal effects brought aboard must be supplied to the Company prior to sailing.
- 12.13 Any Officer, who, while in the employment of the Company, is required by necessity to ship tools and/or personal effects on non-insurable carriers, suffers loss of such tools and/or personal effects, shall be compensated by the payment of up to seven hundred dollars (**\$2,000.00**), according to the loss sustained upon submitting a letter from the carrier. The list referred to in Article 12.12 also applies for this clause.
- 12.14 The Company will provide all tools necessary for the maintenance of the Vessel's equipment prior to commencement of the fitting out program. Opening and closing inventories shall be maintained.

ARTICLE 13 PERMANENT EMPLOYEES

- 13.01 An Officer shall be deemed to be a permanent employee upon being recalled for a third consecutive operational season, providing he has acquired a minimum of 120 days service in the two immediate preceding operational seasons. For clarification, such an Officer would be entitled to seniority entitlements commensurate with his actual days of prior service, rights to recall, and Health and Welfare Plan coverage in the third year of employment. In the event such an Officer was not employed for a full operational season in the third year of employment his Health and Welfare Plan coverage would be maintained subsequent to recall, and for the balance of the year on a pro-rated basis, if applicable, and should the Officer elect to maintain such coverage for the year. Notwithstanding the above, where an Officer acquires the 120 days service in his first year of employment with the Company, then all entitlements referenced above as becoming applicable in the third year of employment would become applicable in his second consecutive year of employment.

ARTICLE 14 SENIORITY

- 14.01** The Company shall maintain seniority lists for all Licensed Officers, showing the Officers' present classification together with the Officers' Service Seniority and Category Seniority.
- 14.02** (a) A copy of the up-to-date seniority list will be provided to the Guild office and two (2) copies provided to each Vessel at the commencement of the season. One copy shall be posted on the Vessel's notice board with the second copy retained by the Master.
- 14.02** (b) A copy of the up-to-date seniority list will be provided to the Guild office and two (2) copies provided to each Vessel at the commencement of the season. One copy shall be posted on the Vessel's notice board with the second copy retained by the Master.
- i. each mess room and staff room on both ship and shore;
 - ii. other strategic locations as agreed to by the parties;
 - iii. It is to be understood that the bulletin board space shall not be for the sole use of the Guild.
- 14.03** An Officer upon attaining permanent status shall be placed on the first prepared seniority list and shall be credited with service since the date of commencement of employment. Seniority will be accumulated as per Article 14.05. For clarification it is understood and agreed that seniority calculations for new Officers attaining permanency status under Article 13.01, and who are considered as regular Officers under 14.05 below shall be calculated from total accrued service with the Company. The commencement date of employment shall be arbitrarily fixed in accordance with the actual number of days of past employment over the previous two years with the Company, **ie** if the Officer had been employed for a total of 6 months over the course of a two year period then his seniority would be calculated backwards over the past two seasons a total of **182.5** days.
- 14.04** Seniority lists shall indicate the seasonal accumulation of service with the Company in each of the Licensed Officer categories (e.g. Master, Mate, **2nd** Mate, Engineer and **2nd** Engineer).
- When an **Officer** is on a leave of absence **from** the Company, the seniority list shall reflect his/her status as such, and his/her seniority shall be frozen until such time as he/she returns to full time employment with the Company the following year.
- 14.05** There shall be two (2) kinds of Seniority:
- (a) Service Seniority – being the length of service with the Company (as an *Officer*). An Officer shall accrue Service Seniority from the date upon which he/she commenced as a regular Officer of the Company.
 - (b) Category Seniority – being the length of service with the Company in a specified category of Officer – i.e. Master, Mate, Engineer.
- 14.06** An Officer shall accrue Category Seniority as an Officer to a position within the categories defined in the Schedule "A".

- 14.07 An Officer will simultaneously accrue Category Seniority for his/her specific category and for categories of lesser rank for which he/she is qualified.
- 14.08 (a) An Officer noting any discrepancies in his/her seniority for the previous season may forward to the Manager Marine Operations or Manager Marine Maintenance within two (2) months of annual issue of the Seniority List a written statement outlining the noted discrepancies. The list shall be issued on May 16th each season. The Manager shall review the report and advise the Officer within one (1) month of receipt of the Officer's report. Any discrepancies not resolved in this manner may be subject to the grievance procedure.
- (c) Where an Officer's seniority is not amended following **expiry** of the grievance he/she may not again grieve his/her past seniority.
- 14.09 In the case of lay-off or recall Service Seniority shall be the determining factor subject to qualifications, experience, performance and ability to do the job. Realignment of positions due to lay-offs shall be by Category Seniority, qualifications, experience, performance and ability to do the job.
- 14.10 An Officer who has been laid off will retain his/her seniority and the right to be recalled for a period up to twenty (20) months from date of lay-off, provided he/she reports to the Company when recalled, unless on operational season lay-off, and further provided, that should payment of severance pay under Article 25 be made **after** the expiration of the twelfth (12th) month of lay-off, all rights including seniority and recall shall be at an end.
- It is understood that an Officer is not entitled to any severance pay until twelve (12) months of lay-off have occurred. An Officer who is given reasonable notice and fails to report for work upon recall is subject to discharge **from** service.
- 14.11 (a) In promotions, first consideration will be given to existing Licensed Officers, subject to ability, performance, qualifications and experience. Where ability, performance, qualifications and experience are acceptable, and are equal in the judgment of the Company between two (2) or more Officers, preference shall be given first to the **Officer** with the greatest Category Seniority followed by total Service Seniority.
- (c) During the operating season, promotions may be subject to operational and travel considerations to limit time loss and cost of transferring employees during mid-season breaks only.
- 14.12 In the event that **mechanization** and technological changes should necessitate or bring about a reduction in personnel, the Company agrees to follow, to the utmost intent practicable, the principle of retaining Officers with the greatest seniority.
- 14.13 A permanent Employee who is off due to a work related injury or illness which is supported with medical documentation, shall continue to receive *seniority* credit **from** date of injury or illness to the date the Vessel to which he/she was assigned is laid-up that season. The total seniority at that point shall be used for purpose of recall the next season.

14.14 An Officer shall forfeit all seniority when he/she:

- (a) is discharged for cause;
- (b) self terminates his/her employment;
- (c) is laid off and is not recalled to service within a twenty (20) month period from date of lay-off at the conclusion of his/her season;
- (d) receives severance payment as per Article 14.10;
- (e) fails to report for work as required by the provisions of the Collective Agreement.

ARTICLE 15 HOURS OF WORK

15.01 The Company and the Guild subscribe to the principle of the eight (8) hour day, but in recognition of the impracticality of operating on such basis in the Mackenzie River Watershed Area or in the Arctic, agree that a twelve (12) hour day shall be worked throughout the Navigation Season.

Yarding Vessels

15.02 (a) The term yarding Vessel shall mean Vessels where Officers work on daily **shifts** of twelve (12) consecutive hours, inclusive of meal breaks for those Officers **confined** to the Vessel, and exclusive of meal breaks for those Officers who are not confined to the Vessel.

(b) A day will be defined as from **00:01** to **24:00** hours.

ARTICLE 16 EMPLOYMENT PERIODS

16.01 Contracts for **Officers** who became Permanent Employees **after** October 31, 1994 will commence as of June 1st and terminate one hundred forty-two (142) days later on October 20th, each navigation season. Officers employed under the one hundred forty-two (142) day contract shall be quarantined remuneration **from** the 24th of May until the 31st of May inclusive at an eight (8) hour fit out rate of pay regardless of whether such an officer is recalled to work for the fit out period.

16.02 In the event a Vessel is required to sail prior to May 16th for Officers employed under a one hundred fifty eight (158) day contract or prior to June 1st for Officers employed under a one hundred forty-two (142) day contract, the daily rate shall apply for a twelve (12) hour day until May 16 or June 1st, as applicable, at which time the season's contract will commence.

16.03 In the event a Vessel is required to sail **after** October 20th, Officers shall receive one and one half (1½) times the applicable daily rate of pay for each twelve (12) hour day worked.

16.04 In the event an Officer is required to work after October 20th, Officers shall receive one and one half (1½) times the applicable daily rate for each twelve (12) hour day worked.

ARTICLE 17
FITTING OUT

- 17.01 Officers required to report to work prior to May 16th where the Officer is working under the one hundred fifty-eight (158) day contract or prior to June 1st where the Officer is working under the one hundred forty-two (142) day contract will be paid fitting out rates as outlined in Schedule "A" and shall work an eight (8) hour day.
- 17.02 Any fitting out work performed in excess of eight (8) hours per day shall be paid for at time and one half (1½) the applicable hourly fitting out rate.
- 17.03 During fitting out when Officers are required to work on Saturday, Sundays or Statutory Holidays they shall receive two (2) times the applicable hourly fitting out rate.
- 17.04 Refit work carried out **onboard** any Company operated Vessel outside of the operating season will be supervised by, or carried out under, the direction of a competent person. (i.e. the Superintendent or the Manager Marine Maintenance). If the Chief Engineer assigned to that specific Vessel at the commencement of the following navigational season is not in attendance for such refit work, the Company shall ensure that a competent person who is familiar with the work done shall confer with the Chief Engineer prior to sailing, advising of any and all work and results, thereof. In addition, any report(s) generated as a result of said refit work will be proved to such Chief Engineer.

Notwithstanding the above, when refit work is being conducted on the main propulsion or steering systems a Chief Engineer shall be in attendance overseeing and/or assisting with such work. During the normal spring activation this will be within two weeks of the vessels scheduled sailing date. For clarification, the systems referred to are the main engine(s), gear **box(es)**, and hydraulic systems.

For clarification, the **afore** noted requirements are waived where extenuating circumstances arise which are clearly beyond the Company's control such as unanticipated activation of vessels.

ARTICLE 18
PAY ADMINISTRATION

Schedule of Salaries

- 18.01 The appropriate salary rates contained in the Schedule of Salaries set forth in Schedule "A" hereto, shall be maintained throughout the life of this Agreement.

Terminating and Replacement Officers

- 18.02 Any Officers terminating prior to the conclusion of the season will receive payments based on the formula: total salary divided by 158 or 142, whichever is the applicable divisor, times days worked. Any new Officer or Officer replacement shall be paid by the formula using the one hundred forty-two (142) divisor.

Bank Deposit System

- 18.03 It is agreed that the Company will continue administering a Bank Deposit System for all Licensed Officers. Each Officer must participate in the program and will be required to fill out the Company's Bank Deposit Form at commencement of employment each season.

Sailing Shorthanded

- 18.04 In the event of any Vessel sailing without the full complement of Officers for a specific Department for a period of more than five (5) days, the Junior Officer of the Department shall be considered to be the missing Officer and the daily rate which would otherwise have been paid to this officer shall be paid to the crew members of the particular Department affected, until such time as the Vessel's crew is completed. In the event the period exceeds five (5) days the division of monies as outlined shall apply from the first day of sailing shorthanded.

Notwithstanding the above, where a Vessel sails shorthanded for operational reasons, other than an Officer leaving any Vessel for personal reasons, including any leave, mid-season break, illness or accident, the division of monies as outlined shall apply from the first day of sailing shorthanded.

Statutory Holidays

- 18.05 All pay and leave earned for Statutory Holidays shall be shown as separate items on payroll statements.

Payroll Statements and Records of Employment

- 18.06 Commencing with the 1998 operating season, the Company shall provide on a monthly basis, on each Officer's payroll statement, a clear and detailed accounting of rates of pay, earnings to date, number of days worked, overtime and **E.D.P.** accruals, payouts and vacation pay entitlements.

Records of Employment will be issued within five (5) calendar days from the date of lay-off or within five (5) calendar days **from** the date of final pay of the operational season is processed, whichever date is applicable. Each payroll statement to be delivered in individual sealed envelopes to the vessel.

ARTICLE 19 DUTIES/EDP

- 19.01 The duties of a Deck Officer shall be primarily those of a Navigating Officer and working Supervisor of Unlicensed crew members. A Deck Officer shall not be required to perform the work of an Unlicensed crew member.
- 19.02 The prime responsibility of an Engineer is to operate and maintain the engine room equipment and to maintain other mechanical equipment on the Vessel.

19.03 Engineers called to work off the Vessel to repair or maintain other than the Vessel's mechanical equipment (ship's work boat excluded) shall be paid at the applicable cargo rate as per Schedule "A" in addition to his/her regular pay.

19.04 (a) All Officers shall receive Extra Duty Pay (EDP) as per Schedule "A". It is understood that the

Extra Duty Pay is calculated on the basis of one (1) hour per day during the one hundred fifty-eight (158) or one hundred forty-two (142) day contract period whichever is applicable for all Officers.

(b) The calculation of the EDP shall be based upon the following formula:

$$\frac{\text{BASIC SALARY} = \text{DAILY RATE}}{158 \text{ DAYS}}$$

$$\frac{\text{DAILY RATE} = \text{DOLLAR FIGURE (\$) AMOUNT}}{12 \text{ HOURS}}$$

\$ Figure Amount x 158 days = E.D.P. amount

OR

\$ Figure Amount x 142 days = E.D.P. amount

19.05 Masters of all Vessels where no second Mate is carried, and all Mates, shall be paid the applicable cargo rate, as per Schedule "A", while they supervise cargo work.

19.06 For cargo time performed on watch, the Officer shall receive in addition to his/her daily rate of pay, the regular hourly cargo rate. Any cargo work performed off watch will be paid for at time and one half (1 ½) the regular hourly cargo rate for all hours up to and including twelve (12) hours per day and double time (2X) the regular hourly cargo rate thereafter. Cargo time shall be accumulated and paid as per the provisions of Article 19.07.

19.07 Compensation for work performed at cargo rate and overtime, where applicable, will be accumulated. Where the accumulated amount of cargo time and overtime earnings exceeds the applicable annual E.D.P., such excess amount will be paid the following month.(refer to example on Schedule "B").

19.08 The Company agrees that the Officers will not be requested to work cargo or drive forklifts.

19.09 Officers assigned toYarding Vessels shall not receive E.D.P. Notwithstanding the aforementioned E.D.P. is applicable for the M.V. Kakisa.

19.10 Cargo time shall not apply when safety of life at sea is involved.

ARTICLE 20
TRANSPORTATION AND TRAVEL TIME

- 20.01 The Company agrees that all Licensed Officers who have served the Company continuously from time of tit out to completion of lay-up, excepting only periods of justifiable absence from duty, shall receive Company paid air transportation to and from port of fitting out and lay-up of Vessel to the airport nearest their place of residence. The amount of transportation provided shall not exceed that supplied when first hired.
- 20.02 (a) Officers except those hired at point of embarkation in the North shall receive two (2) days pay while travelling to and from port of fitting out and lay-up of Vessel (i.e. eight (8) hours straight time pay at the applicable fitting out rate going to Vessel at commencement of the season and eight (8) hours straight time pay at the applicable fitting out rate returning from the Vessel at the conclusion of the season). Such pay shall not apply for travel during the one hundred fifty-eight (158) or one hundred forty-two (142) day contract period, whichever is applicable.
- (b) Where an Officer is required to work in Hay River, and there are no mess facilities available, either ashore or on a Company owned Vessel, he/she shall be provided with a meal allowance to a maximum of forty dollars (\$40.00) per day; such payment to be payable once every seven (7) days.
- 20.03 Officers shall perform duties as required on their reporting date. If travel pay applies, it shall apply to the day prior to arrival. Officers required to work on their day of departure, after October 20th, shall be paid for the hours worked that day at the fit out rate unless still on Articles.
- 20.04 Officers who commence work after tit out and complete the remainder of the season shall be covered by the provisions of the above Articles.
- 20.05 An Officer who wishes to travel via non-air transportation shall receive the equivalent cost of excursion rate air transportation. Officers travelling **from** beyond Edmonton shall receive up to a maximum of one hundred five dollars (\$105.00) commencing November 1, 2000, one hundred ten dollars (\$110.00) commencing November 1, 2001 and one hundred **fifteen** dollars (\$115.00) commencing November 1, 2002, in lieu of meals and accommodation. Claims can be made by attaching receipts to a Company Expense Form and submitting same to the Manager Marine Operations or the Manager Marine Maintenance. Officers providing their own transportation shall receive pay as per the provisions of Article 20.02 and 20.03, as applicable and shall arrive on their reporting date at a time no later than if available air transportation had been taken.
- 20.06 Officers shall be reimbursed for reasonable accommodation, meal and ground transportation expenses in Edmonton or in Winnipeg in the case of Officers assigned to the **M.V. Keewatin**, and similar expenses incurred en route to the Vessel from Edmonton or Winnipeg. In addition, the Company will reimburse the employee for ground transportation from the airport nearest to his/her residence and vice versa, to a maximum of forty-five dollars (\$45.00) each way. Alternatively, an Officer driving his/her own vehicle or taking other transportation to and from the airport nearest his/her home may claim car mileage as per the Company car mileage rate for actual distance **traveled** to a

maximum of forty-five (**\$45.00**) each way. To claim these expenses proper receipts must be attached to the Company Expense Form where applicable and submitted to the Manager Marine Operations or the Manager marine Maintenance immediately after the travel is completed.

- 20.07 Officers who are discharged for cause or self terminate their employment prior to the completion of the season shall not receive travel pay and shall be deducted all associate travel costs.
- 20.08 Officers hired at point of embarkation in the North shall not receive transportation assistance or travel pay.
- 20.09 Officers travelling on Mid-Season Break shall receive transportation, meals and ground transportation as provided in this Article. Officers failing to return from Mid-Season Break will have associated travel costs deducted and employment terminated.
- 20.10 Officers who fail to report to their Vessel on time, through their own negligence, may be subject to disciplinary action and/or be required to pay for the additional associated travel costs incurred in getting to the Vessel. Pay other than travel pay shall commence on their first regular watch upon reaching the Vessel.
- 20.11 Officers who are requested the Company to **utilize** their personal vehicles to conduct Company business shall be compensated at the applicable Company mileage rate. Claims for such expenses must be made on a Company Expense Report.

ARTICLE 21 MID SEASON BREAK

- 21.01 Each Officer on Vessels operating out of Hay River on the Mackenzie River System and Churchill in Hudson's Bay (with the exception of yarding boats in Hay River) will be entitled to an optional Mid-Season Break of eighteen (**18**) days inclusive of travel, under the one hundred fifty-eight (**158**) day contract, and sixteen (**16**) days inclusive of travel, under the one hundred forty two (**142**) day contract, provided the Officer meets the provision of Article 13.01. The first day of the Mid-Season Break will be the day following completion of the last **shift** worked prior to the Mid-Season Break (i.e. if an Officer is entitled to an eighteen (**18**) day Mid-Season Break, and his/her last **shift** worked is July 7th, the Mid-Season Break would commence on **July 8th**, and the Officer would return to work on July 26th). Should an Officer encounter delays in departing or returning **from** his/her Mid-Season Break which are beyond hi/her control (i.e. inclement weather), and for reasons acceptable to the Company, the amount of time attributed to such delay shall not be counted as forming part of the Mid-Season Break.
- 21.02 It is understood that if this option is taken, it will be in lieu of the vacation entitlement under Article 22 to a maximum of six per cent (**6%**). If due to operational considerations less than the number of days noted in Article 21.01 above are taken, it is understood that vacation pay entitlement will be pro-rated.

- 21.03 The Company reserves the right, in consultation with the Officer, to schedule such Mid-Season Break to their convenience due to the operational considerations and subject to the limitations in the number that can be rotated as relief crew.
- 21.04 Each officer must forward his/her request for such leave in conjunction with the requirements of Article 34.02.
- 21.05 An Officer who fails to return for other than compassionate reasons from his/her Mid-Season Break shall have his/her transportation costs and expenses deducted from hi/her final pay.
- 21.06 Short term promotions for Mid-Season Break purposes shall as closely as possible be made in accordance with the provisions concerning promotions under Article 14 – Seniority.
- 21.07 A permanent Officer who has been provided a contract commitment from the Company and does not take his mid-season break shall be entitled to remuneration of 8% based on his total annual salary in accordance with Schedule A of this Agreement providing that;
- He has been recalled and commenced employment before June 2nd in the instance of Officers employed under the 158 day contract season, and before June 16th for Officers employed under the 142 day contract season; and
 - He completes the employment commitment to the Company.

The foregoing remuneration shall be paid at the conclusion of the operational season.

ARTICLE 22 VACATION PAY

- 22.01 In addition to the rates of pay referred to in Schedule “A”, **Officers** shall receive vacation pay, computed on the basis of annual gross earnings at the following rates:
- (a) Four per cent (4%) of gross wages for the first two (2) seasons of service.
 - (b) Six per cent (6%) of gross wages for the third (3rd) and fourth (4th) seasons of service.
 - (c) Eight per cent (8%) of gross wages for the fifth (5th) and subsequent seasons up to and including the tenth (10th) season of service.
 - (d) Ten per cent (10%) of gross wages for the eleventh (11th) and subsequent seasons of service up to and including the twenty-first (21st) season of service.
 - (e) Twelve per cent (12%) of gross wages for the twenty-second (22nd) and subsequent seasons of service.
 - (f) Fourteen per cent (14%) of gross wages for the thirtieth (30th) and subsequent seasons of service.
- 22.02 An Officer attaining permanent status with the Company shall receive one (1) season vacation pay credit for the prior one hundred twenty (120) day accumulated period.

ARTICLE 23
LEAVE OF ABSENCE

- 23.01** The Company agrees to provide Leave of Absence, without pay, for any Officer elected or appointed to a Guild Office, for a service of up to three (3) years, provided the application for such leave is made prior to January 15th of the year in which the leave is to commence and provided that such Leave of Absence shall commence either prior to May 1st or subsequent to October 31st of each calendar year. Such Leave of Absence shall not terminate between the date of May 1st and October 31st in any year.
- 23.02** Further Leave of Absence, without pay, may be granted by mutual consent. Any Officer who obtains such Leave of Absence shall return to the Company within thirty (30) calendar days after the completion of this term of employment with the Guild.
- 23.03** An Officer who takes employment ashore with the Company or is appointed to Guild Office, shall be allowed the privileges contained in Section 23.0 1 and shall accumulate seniority during the period of such Leave of Absence; however, seniority shall not accumulate during successive Leaves of Absence.
- 23.04** When an Officer on a Leave of Absence takes employment with a competitive company, he/she shall be deemed to have terminated his/her employment with the Company and lose all seniority. Seniority shall not be lost during short term Compassionate Leave granted by the Company.
- 23.05** A Leave of Absence for a season may be allowed an Officer after a period of three (3) consecutive seasons of employment with the Company, providing the Company is notified of his/her intention by February 28th of the year in which the leave is to commence. On returning to work for the Company the following season after a Leave of Absence, the Officer's seniority shall read as a continuation from the last season that he/she worked. Such Leave of Absence may be renewed every three (3) years upon application.
- 23.06** Any Canadian Merchant Service Guild member employed by NTCL that is nominated to a position of either engine room or deck area representative, may be allotted time off, subject to operational considerations, to attend the annual Guild Convention with no loss of wages or days taken away **from** Mid-Season Break. A maximum seven (7) days is allowed.

Requests for time off must be made in writing by March 31st.

No more than one (1) officer **from** each department shall be granted a Leave of Absence in accordance with this Article in any calendar year.

ARTICLE 24
COMPASSIONATE LEAVE

- 24.01 For the purpose of this Article, immediate family means, in respect of an employee:
- (a) the spouse of the employee, including a common law spouse;
 - (b) the father and mother of the employee and the spouse of the father or mother, including a common law spouse;
 - (c) the children of the employee;
 - (d) the brothers and sisters of the employee;
 - (e) the father-in-law and mother-in-law of the employee and the spouse of the **father-in-law** and mother-in-law, including a common law spouse;
 - (f) any relative of the employee who resides permanently in the employee's household or with whom the employee permanently resides.
- 24.02 Compassionate Leave, with pay, shall be granted to an Officer who is required to be absent from work due to the death or serious illness of an immediate family member or due to serious domestic affairs of the Officer.
- 24.03 (a) **Compassionate** Leave shall be up to one (1) week **after** the Officer's arrival in Edmonton and in the case of the **Keewatin**, one (1) week from his/her arrival in Winnipeg. Officers required to attend to such matters in the Northwest Territories shall receive one (1) week from departure from his/her Vessel. Consideration will be given for extra days (over five (5) days) at no pay depending on individual circumstances.
- (b) Notwithstanding the above, circumstances may dictate that an Officer may have to be absent for the balance of an operational season due to a serious illness affecting his/her spouse or children. In such a case the Officer will continue to receive seniority credit to the date the Vessel to which he/she was assigned is laid up at the conclusion of the season.
- 24.04 Officers on Compassionate Leave within Canada shall be provided with Company paid airfare to Edmonton or in the case of the **M.V. Keewatin**, to Winnipeg. Should the Officer not return from Compassionate Leave the airfare will be deducted from his/her final cheque.
- 24.05 Officers shall furnish proof to the Company upon request.

ARTICLE 25
SEVERENCE PAY

- 25.01 (a) In the event the Company terminates the employment of a permanent Officer except where the termination is by way of dismissal for just cause, the Company shall pay to the Officer the lesser of:
- (i) Seven (7) days wages at his/her basic rate of wages for his/her regular days of work in respect of each completed season of employment.
 - (ii) Seventy (70) days wages at his/her regular hours of work.

(b) An Officer retiring from the Company shall be eligible to receive severance pay on the following basis: Two and a half (2 ½) days pay at the basic daily rate of pay for each season worked to a maximum of 40 days.

(c) In the event an Officer dies while an employee of the Company, his estate shall receive the retirement severance pay entitlements as outlined above.

25.02 Circumstances deemed to be termination and deemed not to be termination for purposes of this clause:

(a) Except where otherwise provided by regulations, an Officer shall be deemed to have been terminated when he/she is permanently laid off.

ARTICLE 26 EDUCATION AND UPGRADING

26.01 An Officer who is a Permanent Employee, upon request, will be given assistance for an upgrading course. Officers shall apply for government funding (through Human Resources Development Canada or other appropriate agencies) whenever available. Where courses are required by government regulation to **revalidate** or maintain currency (i.e. Continued Proficiency Certification), Officers must have attained permanency status under Article 13 as at November 1, 1996. The following conditions will apply:

(a) An Officer requesting assistance for upgrading courses, must first advise his/her Department Head, in writing, of his/her intent to take such courses. The request for assistance must include the specific courses to be taken, dates, training school location and **itemized** estimated costs for course fees, required classroom textbooks and examination fees.

(b) The Department head will consider the requests and will advise the Officer, in writing, with a copy to the Human Resources Department, as to whether the request for assistance has been approved.

(c) The Company shall have the discretion as to the courses to be approved, the priority of attendance and the number of Officers who may take the courses during the off season.

(d) Upon successful completion of the course, the Officer must forward to the Human Resources Department, the original receipts for the course fees, required classroom textbooks and examination fees. A document which reflects the successfully completed courses must also be submitted at this time.

(e) The Company shall assist the officers (in the case of government regulated **revalidation** or maintenance only), for travel costs by providing a reimbursable advance relative to costs of excursion rate airfare from home location to location of training facility and return, should said Officer request such consideration. Such indebtedness shall be recovered by the Company from wages payable during the navigational season. (33 1/3% to be repaid from June payroll, 33 1/3% to be repaid

from July payroll and 33 1/3% to be repaid from August payroll). Should such Officer not return to the employ of the Company, the indebtedness shall be repaid from the Officer's severance entitlement.

For Continued Proficiency Certification only, the Company shall assist the Officer where he/she must reside away from home to attend the course by providing an accommodation and meal allowance of fifty per cent (**50%**) of such expenses, to a maximum of **five** hundred dollars (**\$500.00**) per Officer per course. Such allowance shall be paid by the Company upon successful completion of the course and upon presentation of appropriate receipts.

- 26.02** Required classroom textbooks, referred to above, is limited to the actual textbooks required in the course and does not include other textbooks or articles which would be considered "suggested reading".
- 26.03** Reimbursement for the approved course fees, required classroom textbooks and examination fees for successfully completed courses shall be made upon the completion of the operating season following the date of said examinations.
- 26.04** It shall be the responsibility of the Officer to make application and register at the school and the Company will make representation to the Governmental Department on behalf of the said Officer as may be required.
- 26.05** (a) The Company may require the Officer to attend other non-licensing safety and/or training courses or seminars, and the Officers, given reasonable notice, may make themselves available to attend such courses or seminars.

(b)The Company when scheduling such safety and/or training courses or seminars shall bear the costs including transportation, reasonable expenses, tuition fees, books and examination fees. Officers who are required by the Company to attend such courses will receive pay at the last applicable fitting-out rate to a maximum of eight (**8**) hours per day for each full day the Officer is in attendance at the course or seminar. Payment is only applicable before May 16th and after October 20th.

ARTICLE 27 VESSEL CLASSIFICATION

- 27.01** Subject to Article 2.02, any Vessel or Vessels added to the fleet or **re-powered** will be classified on the basis of horsepower, certificate requirements and area of operation, by a committee of the Company and the Guild.

ARTICLE 28 MANNING

- 28.01** The Officer positions as listed in the attached wage schedule shall be the minimum Officer requirements unless otherwise mutually agreed by the Company and the-Guild and subject to Article 14.12.

- 28.02 Vessels changed to yarding Vessels may have their manning changed, by mutual agreement.

ARTICLE 29 LEGAL DEFENSE INSURANCE

- 29.01 The Company shall remit to the Guild twenty-five dollars (**\$25.00**) per month per Officer for the purpose of providing Legal **Defense** Insurance during the life of the **Officer's** contract (six **(6)** months). Such remittance shall be based on the manning requirements as per Schedule "A".

It is understood and agreed that the foregoing **\$5.00** increase shall be adjusted in accordance with the increases negotiated at the upcoming Council of Marine Carriers negotiations. In the event the increase is less than **\$5.00** then a reduction will apply. In the event the increase is more than **\$5.00** then an uplift will apply (to a maximum of **\$30.00**). Further, it is understood and agreed that any adjustments as noted herein will become applicable on the date the Council of Marine Carriers Agreement is ratified, and no retroactive adjustments are applicable.

ARTICLE 30 PROTECTIVE CLOTHING

- 30.01 Upon the request of the Officer, the Company will provide rain jackets and pants.
- 30.02 The Company shall provide each Officer with two **(2)** sets of Coveralls upon reporting for duty. In the event an Officer terminates employment prior to working sixty **(60)** continuous days, the cost of such coveralls will be deducted from the Officer.
- 30.03 Upon the request of a Permanent Officer, the Company will reimburse the Officer seventy-five percent **(75%)** of the cost of a U-VIC jacket, or reimburse up to one hundred dollars **(\$100.00)** (one hundred **fifteen** dollars **(\$115.00)** after October 31, 1997) for floater or insulated coveralls upon the Officer submitting an invoice of purchase through the Company's expense reporting procedure. Such U-VIC jackets or insulated coveralls may be renewed after three **(3)** years, at the Officer's request.
- 30.04 The Company shall reimburse Officers eighty-five dollars **(85.00)** (one hundred dollars **(\$100.00)** after October 31, 1998) for the purchase of **CSA** approved safety footwear. The Company may designate the type of appropriate **CSA** approved footwear. This allowance will be applicable to one **(1)** pair of safety footwear per season and can be obtained by verifying the **CSA** approval and submitting to the Manager Marine Operations or the Manager marine Maintenance an original invoice of purchase attached to a Company Expense Report. Should an employee terminate or be dismissed prior to working sixty **(60)** continuous days, the footwear allowance received will be deducted from the Officer.
- 30.05 The Company shall supply one **(1)** hard hat each operating season to Officers required to wear them. Hard hats shall be turned in at the conclusion of the season or upon termination of employment. If not turned in, the employee may be deducted for the cost of the hard hat.

- 30.06 The Company shall supply two (2) set of floater coveralls to each Vessel. Four (4) sets of floater coveralls shall be supplied to the larger tugs. Floater coveralls shall be part of Vessels' safety equipment and used as directed by the Master.
- 30.07 Working gloves will be provided to all Officers by the Company. Work out gloves are to be turned in before new ones are issued.

**ARTICLE 31
LINEN AND BLANKETS**

- 31.01 Each Officer shall be supplied with clean blankets, linen and towels at the beginning of each Navigation Season. Linen and towels shall be changed every week where practicable. Each Officer shall have blankets cleaned or replaced every three (3) months where practicable.

**ARTICLE 32
T.V./VIDEO/NEWSPAPERS**

- 32.01 All live aboard Vessels shall be supplied with a T.V., video player and video cassettes. Newspapers and magazines shall be supplied to these Vessels as is operationally feasible.

**ARTICLE 33
DENTAL PLAN**

- 33.01 The Company Dental Plan premiums shall be 50% paid by the Company and the Plan shall incorporate the following features:
- Basic Dental Services – 100% co-insurance
- Optional Dental Services – 80% co-insurance
- It is agreed that the additional cost of providing the increased Optional Dental Services from 70% to 80% shall be the employers responsibility.
- 33.02 The premium payment for Short Term Disability shall be fully paid by the Officer. This arrangement shall not create a situation where the Officer will be paying additional premium payments to the Plan for benefits currently in effect. It is agreed that the quality of the Plan shall in no way be diminished.
- 33.03 Vision Care – Prescription Eye Glasses or contact lenses allowance to be raised to three hundred dollars (\$300.00) once every two years for each person covered by the plan. It is agreed that the additional cost of providing the increased benefit from \$100.00 to \$300.00 shall be the employers responsibility.

**ARTICLE 34
EMPLOYMENT NOTICE**

- 34.01 Officers shall keep the Company's Human Resources Department advised at all times of his/her current address, phone number and changes in marital (including common-law), dependent or beneficiary status.
- 34.02 Each Officer, who in the previous calendar year, has served or has been deemed to have served until the close of the navigation season, shall advise the Engineer or Deck Department Manager, in writing between January 1st and January 31st of each year, as to whether or not he/she will be available for employment during the next following season of navigation and whether he/she is requesting a Mid-Season Break. Officers confirming availability for employment may also request consideration for a change in Vessel assignment.
- 34.03 The Company shall reply to the Officers, with a copy to the Guild, stating whether or not employment can be offered, by March 31st, and at the earliest, practicable opportunity thereafter, the Company shall provide the Officers concerned with the employment particulars.

For those Officers that are not offered contract employment, they will be notified by March 31st that effective May 16th or June 1st, whichever is applicable, they will be on operational season lay-off.

- 34.04 An Officer who fails to carry out the provisions of 34.02 may not be recalled to service.
- 34.05 The Company shall advise Officers who are not eligible for rehire by February 15th of each year. Officers who were discharged for cause or who self terminated their employment will not be eligible for rehire.
- 34.06 If contract employment is not available to a permanent employee, that employee will be on operational season lay-off effective May 16 or June 1st, whichever is applicable, until October 20th, when the normal season lay-off will commence. If during this period, the Officer has not elected severance under the terms of Article 25, he/she shall be eligible for contract employment rehire the following season without loss of previous seniority.

An officer on operational season lay-off has the right to refuse any other employment periods offered by the Company that may become available during the operating season.

Any officer on operational season lay-off that accepts an employment period offered by the Company will be paid as per the attached Letter of Understanding.

**ARTICLE 35
TERMINATION**

- 35.01 This Agreement shall be effective **from** November 1, 1999 and continue in force until October 31, 2002 and **from** year to year thereafter unless either party gives notice to the other party of an intent to revise, terminate or amend this Agreement at any time within two (2) months prior to the **expiry** date of any subsequent anniversary date of this Agreement.

**ARTICLE 36
MAILING ADDRESSES**

36.01 Any Notice in writing either party desires to give to the other shall be given by registered mail, postage prepaid, addressed as follows:

TO THE COMPANY:

**NORTHERN TRANSPORTATION COMPANY LIMITED
42003 MACKENZIE HIGHWAY
HAY RIVER, N.W.T. X0E 0R9**

TO THE GUILD:

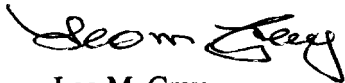
**CANADIAN MERCHANT SERVICE GUILD
310, 218 BLUE MOUNTAIN STREET
COQUITLAM, B.C. V3K 4H2**

36.02 Any Notice so mailed at Hay River shall be deemed given as of three (3) days following the next business day **after** date of mailing. The registration receipt shall establish the date of mailing. Either party shall serve Notice on the other party of any change of address.

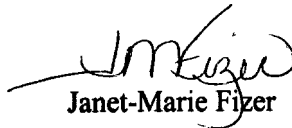
SIGNED ON BEHALF OF

THE CANADIAN MERCHANT
SERVICE GUILD

NORTHERN TRANSPORTATION
COMPANY LIMITED



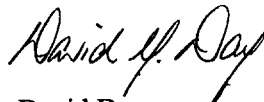
Leo M. Gray



Janet-Marie Fizer



Arnold Vingsnes



David Day



Gary Latimer

David Gibson
Ken Johnson
Rod Taylor
Graham Robertson

Dated at Vancouver this 19th day of April, 2000

**LETTER OF UNDERSTANDING
BETWEEN
NORTHERN TRANSPORTATION COMPANY LIMITED
(Hereinafter referred to as "The Company")**

AND

**THE CANADIAN MERCHANT SERVICE GUILD
(Hereinafter referred to as "The Guild")**

It is agreed and understood that effective May 16, 1988, Permanent Officers who were not recalled by their contract commencement date and are subsequently hired later in the season shall be paid as per the following schedule:

Days Worked	Amount of Pay
0 – 58 days	Basic Rate for each day worked (total annual / 158 days)
59 – 79 days	½ Total Annual Salary.
80 – 108 days	½ Total Annual Salary + Daily Rate for each day worked over 79 days
Over 108 days	Total Annual Salary.

Seniority for such officers shall accumulate as per days worked and vacation pay will be calculated as per the Collective Agreement.

Provisions of this letter shall not apply to Officers described in Article 18.02 of the Collective Agreement.

The 158 day contract shall remain in effect for all current permanent Officers including those who attain permanency status by October 31, 1994.

The following Officers shall be included under the one hundred fifty-eight (158) day contract.

W. Bennett
F. Lea
D. Smith

K. Munden
W. Baker

Officers who attain permanency status subsequent to October 31, 1994 shall be employed on a 142 day contract June 1 to October 20. Such an Officer shall, in addition, be guaranteed the fit out period of 8 hours per day from May 24 to May 31.

142 Day Formula:

0 – 50	Basic Daily Rate for each day worked.
51 – 71 days	½ Total Annual Salary.
72 – 124 days	½ Total Annual Salary + Daily rate for days over 71 days.
Over 124 days	Total Annual Salary.

SIGNED ON BEHALF OF
THE CANADIAN MERCHANT SERVICE GUILD

Leo M. Gray

NORTHERN TRANSPORTATION COMPANY LIMITED

Lorne R. Glass

**LETTER OF UNDERSTANDING
BETWEEN
NORTHERN TRANSPORTATION COMPANY LIMITED
(Hereinafter referred to as "The Company")**

and

**THE CANADIAN MERCHANT SERVICE GUILD
(Hereinafter referred to as "The Guild")**

This letter will confirm the understanding reached between the Company and the Guild during negotiations in 1990 regarding Permanent Officers' wages when sailing on any of the following vessels:

N.T Majory, Radium Miner, Radium Trader, Radium prospector, The **Lister**, Horn River, and Radium Express.

It is understood that if a Permanent Officer is requested to sail on any of the above mentioned vessels, his wages will not be reduced from the level applicable to his previous assignment.

SIGNED ON BEHALF OF
THE CANADIAN MERCHANT SERVICE GUILD

Leo M. Gray

NORTHERN TRANSPORTATION COMPANY LIMITED

Murrie K. Hurley

**LETTER OF UNDERSTANDING
BETWEEN
NORTHERN TRANSPORTATION COMPANY LIMITED
(Hereinafter referred to as "The Company")**

AND

**THE CANADIAN MERCHANT SERVICE GUILD
(Hereinafter referred to as "The Guild")**

Two calendar years **after** the issue of a warning letter an Officer, upon written request, shall have the letter and any report removed **from** his/her personnel file, provided there has been no further infraction of a similar nature within the time period.

Such letter and port shall not be introduced as evidence in the case of promotional opportunities, grievances, and arbitration once it has been removed from the Officer's personnel file.

SIGNED ON BEHALF OF

THE CANADIAN MERCHANT **SERCICE** GUILD

Leo M. Gray

NORTHERN TRANSPORTATION COMPANY LIMITED

Murrie K. Hurley

LETTER OF UNDERSTANDING
BETWEEN
NORTHERN TRANSPORTATION COMPANY LIMITED
(Hereinafter referred to as “The Company”)
AND
THE CANADIAN MERCHANT SERVICE GUILD
(Hereinafter referred to as “The Guild”)

Cargo work includes the handling of deck and bulk cargo. Cargo work does not include tying up, letting go, making up two or repositioning and lashing of ships' cargo handling equipment, i.e. forklifts, ramps and trucks. Nor does it include handling ships; stores (including stores for other Company ships), ships' fuel (including fuel for other Company ships), tarps, pallets, hoses, ship's' gear and equipment and lashing of same, changing and splicing of ropes and wires, handling ships' garbage (including garbage of other Company ships), washing down tugs and barges, painting, chipping **sougeing** or scraping.

SIGNED ON BEHALF OF
THE CANADIAN MERCHANT SERVICE GUILD

Leo M. Gray

NORTHERN TRANSPORTATION COMPANY LIMITED

Murrie K. Hurley

LETTER OF UNDERSTANDING

RE: HEALTH AND WELFARE PLAN

The Parties hereby agree that reference to the Alberta Blue Cross Plan can be eliminated from the respective clauses within this Collective Agreement. It is further agreed that the elimination of this reference shall in no way dilute existing health and Welfare coverage for Officers employed with the Company. Further, it is agreed that officers who are on Weekly Indemnity Benefits shall receive not less than six hundred dollars (**\$600.00**) per week of disability from the Plan.

SIGNED ON BEHALF OF

THE CANADIAN MERCHANT SERVICE GUILD

Leo M. Gray

ON BEHALF OF

NORTHERN TRANSPORTATION COMPANY LIMITED

Lorne R. Glass

LETTER OF UNDERSTANDING

The Guild and the Company are commuted to providing a safe workplace for Guild member employees, and acknowledge the importance of safeguarding property, equipment and the natural environment. As such, both parties wish to ensure within reason, and without **jeopardizing** employee rights, that the use of alcohol or other drugs by our employees does not impair their judgment of capabilities to carry out their duties and responsibilities, on behalf of the Company.

The Guild and the Company agree that in the instance of a Marine incident the Company shall have the right to have an Officer examined by a Medical practitioner.

ON BEHALF OF

THE CANADIAN MERCHANT SERVICE GUILD

Leo M. Gray

ON BEHALF OF

NORTHERN TRANSPORTATION COMPANY LIMITED

Lorne R. Glass

LETTER OF UNDERSTANDING

RE: M.V. ALEX GORDON AND JIM KILABUK

The Guild and NTCL agree as follows in regard to the above referenced Vessels:

Should the Company obtain further contractual commitments for the above referenced vessels during the term of this Collective Agreement, the Company agrees to open discussions with the view arriving at a renewed Agreement for the vessels.

ON BEHALF OF

THE CANADIAN MERCHANT SERVICE GUILD

Leo M. Gray

ON BEHALF OF

NORTHERN TRANSPORTATION COMPANY LIMITED

Lorne R. Glass

**LETTER OF UNDERSTANDING
RE: BENEFIT COMMITTEE**

The committee will meet to discuss and implement, if feasible, post-retirement Health & Welfare benefits, and any other benefit issues as are raised from time to time by mutual agreement.

Dated and signed this 19th day of April 2000 in Victoria B.C.

ON BEHALF OF
THE CANADIAN MERCHANT SERVICE GUILD

Leo M. Gray

ON BEHALF OF
NORHTERN TRANSPORTATION COMPANY LIMITED

Gary Latimer

David Day

Janet-Marie Fizer

NORTHERN TRANSPORTATION COMPANY LIMITED

**SCHEDULE "A" RATES OF PAY FOR 158 DAY CONTRACT EFFECTIVE
NOVEMBER 1, 1999**

Vessel	Position	Basic	Daily	Stats	EDP	Total
			Basic/158 11 x Daily			
Kitikmeot						
Pisurayak Kootook	Master	61,226	387.51	4,263	5,102	70,591
Nunakput						
Vic Ingraham	Mate	52,392	331.59	3,647	4,366	60,405
Matt Berry						
Jock McNiven	Chief Engineer	59,472	376.41	4,141	4,956	68,569
Edgar Kotokak						
H. Christoffersen	2 nd Engineer	52,392	331.59	3,647	4,366	60,405
Keewatin	2 nd Mate First or Second Year (See Table Below)					
NT Marjory	Master	48,703	308.25	3,391	4,059	56,153
Radium Miner	Mate	43,010	272.22	2,994	3,584	49,588
Radium Trader	Chief Engineer	47,236	298.96	3,289	3,936	54,461
Radium Prospector	2 nd Engineer	43,010	272.22	2,994	3,584	49,588
Kakisa	Master	52,904	334.84	3,683	4,409	60,996
2nd Mates (1st year)		43,710	276.65	3,043	3,643	50,396
2nd Mates (2nd year)		45,203	286.09	3,147	3,767	52,117

NORTHERN TRANSPORTATION COMPANY LIMITED

**SCHEDULE "A" RATES OF PAY FOR 142 DAY CONTRACT, EFFECTIVE
NOVEMBER 1, 1999**

Vessel	Position	Basic	Daily	stats	EDP	Total
			Basic/142 11 x Daily			
Kitikmeot						
Pisurayak Kootook	Master	55,028	387.52	4,263	4,586	63,877
Nunakput						
Vic Ingraham	Mate	47,087	331.60	3,648	3,924	54,659
Matt Berry						
Jock McNiven	Chief Engineer	53,450	376.41	4,141	4,454	62,045
Edgar Kotokak						
H. Christoffersen	2 nd Engineer	47,087	331.60	3,648	3,924	54,659
Keewatin	2 nd Mate First or Second Year (See Table Below)					
NT Marjory	Master	43,771	308.25	3,391	3,648	50,810
Radium Miner	Mate	38,655	272.22	2,994	3,221	44,870
Radium Trader	Chief Engineer	42,451	298.95	3,288	3,538	49,277
Radium Prospector	2 nd Engineer	38,655	272.22	2,994	3,221	44,870
Kakisa	Master	47,545	334.82	3,683	3,962	55,190
2nd Mates (1st year)	_____	39,284	276.65	3,043	3,274	45,601
2nd Mates (2nd year)	_____	40,624	286.08	3,147	3,385	47,156

NORTHERN TRANSPORTATION COMPANY LIMITED

**SCHEDULE "A" RATES OF PAY FOR 158 DAY CONTRACT, EFFECTIVE
NOVEMBER 1, 2000**

Vessel	Position	Basic	Daily	Stats	EDP	Total
			Basic/158 ii x Daily			
Kitikmeot						
Pisurayak Kootook	Master	63,063	399.13	4,390	5,255	72,708
Nunakput						
Vic Ingraham	Mate	53,964	341.54	3,757	4,497	62,218
Matt Berry						
Jock McNiven	Chief Engineer	61,256	387.70	4,265	5,105	70,626
Edgar Kotokak						
H. Christoffersen	2 nd Engineer	53,964	341.54	3,757	4,497	62,218
Keewatin	2 nd Mate First or Second Year (See Table Below)					
NT Marjory	Master	50,164	317.49	3,492	4,180	57,836
Radium Miner	Mate	44,300	280.38	3,084	3,692	51,076
Radium Trader	Chief Engineer	48,653	307.93	3,387	4,054	56,094
Radium Prospector	2 nd Engineer	44,300	280.36	3,084	3,692	51,076
Kakisa	Master	54,491	344.88	3,794	4,541	62,826
2nd Mates (1 st year)	_____	45,021	284.94	3,134	3,752	51,907
2nd Mates (2nd year)	_____	46,559	294.68	3,241	3,880	53,680

NORTHERN TRANSPORTATION COMPANY LIMITED

**SCHEDULE "A" RATES OF PAY FOR 142 DAY CONTRACT, EFFECTIVE
NOVEMBER 1, 2000**

Vessel	Position	Basic	Daily	stats	EDP	Total
			Basic/142 11 x Daily			
Kitikmeot						
Pisurayak Kootook	Master	56,679	399.15	4,391	4,723	65,793
Nunakput						
Vic Ingraham	Mate	48,500	341.55	3,757	4,042	56,299
Matt Berry						
Jock McNiven	Chief Engineer	55,054	387.70	4,265	4,588	63,907
Edgar Kotokak						
H. Christoffersen	2 nd Engineer	48,500	341.55	3,757	4,042	56,299
Keewatin	2 nd Mate First or Second Year (See Table Below)					
NT Marjory	Master	45,084	317.49	3,492	3,757	52,333
Radium Miner	Mate	39,815	280.39	3,084	3,318	46,217
Radium Trader	Chief Engineer	43,725	307.92	3,387	3,644	50,756
Radium Prospector	2 nd Engineer	39,815	280.39	3,084	3,318	46,217
Kakisa	Master	48,971	344.87	3,794	4,081	56,846
2nd Mates (1st year)	_____	40,463	284.95	3,134	3,372	46,969
2nd Mates (2nd year)	_____	41,843	294.67	3,241	3,487	48,571

NORTHERN TRANSPORTATION COMPANY LIMITED

**SCHEDULE "A" RATES OF PAY FOR 158 DAY CONTRACT, EFFECTIVE
NOVEMBER 1, 2001**

Vessel	Position	Basic	Daily	Stats	EDP	Total
			Basic/158 11 x Daily			
Kitikmeot						
Pisurayak Kootook	Master	64,955	411.11	4,522	5,413	74,890
Nunakput						
Vic Ingraham	Mate	55,583	351.79	3,870	4,632	64,085
Matt Berry						
Jock McNiven	Chief Engineer	63,094	399.33	4,393	5,258	72,745
Edgar Kotokak						
H. Christoffersen	2 nd Engineer	55,583	351.79	3,870	4,632	64,085
Keewatin	2 nd Mate First or Second Year (See Table Below)					
NT Marjory	Master	51,669	327.02	3,597	4,306	59,572
Radium Miner	Mate	45,629	288.79	3,177	3,802	52,608
Radium Trader	Chief Engineer	50,113	317.17	3,489	4,176	57,778
Radium Prospector	2 nd Engineer	45,629	288.79	3,177	3,802	52,608
Kakisa	Master	56,126	355.23	3,908	4,677	64,711
2nd Mates (1st year)	_____	46,372	293.49	3,228	3,864	53,464
2nd Mates (2nd year)	_____	47,956	303.52	3,339	3,996	55,291

NORTHERN TRANSPORTATION COMPANY LIMITED

**SCHEDULE "A" RATES OF PAY FOR 142 DAY CONTRACT, EFFECTIVE
NOVEMBER 1, 2001**

Vessel	Position	Basic	Daily Basic/142	Stats 11 x Daily	EDP	Total
Kitikmeot						
Pisurayak Kootook	Master	58,379	411.12	4,522	4,865	67,766
Nunakput						
Vic Ingraham	Mate	49,955	351.80	3,870	4,163	57,988
Matt Berry						
Jock McNiven	Chief Engineer	56,706	399.34	4,393	4,726	65,825
Edgar Kotokak						
H. Christoffersen	2 nd Engineer	49,955	351.80	3,870	4,163	57,988
Keewatin	2 nd Mate First or Second Year (See Table Below)					
NT Marjory	Master	46,437	327.02	3,597	3,870	53,904
Radium Miner	Mate	41,009	288.80	3,177	3,417	47,603
Radium Trader	Chief Engineer	45,037	317.16	3,489	3,753	52,279
Radium Prospector	2 nd Engineer	41,009	288.80	3,177	3,417	47,603
Kakisa	Master	50,440	355.21	3,907	4,203	58,550
2nd Mates (1st year)		41,677	293.50	3,229	3,473	48,379
2nd Mates (2nd year)		43,098	303.51	3,339	3,592	50,029

**NORTHERN' TRANSPORTATION COMPANY LIMITED
SCHEDULE "A" RATES OF PAY
EFFECTIVE NOVEMBER 1, 1999**

Fit-Out Rates Per Hour

Master:	29.33
Mate:	27.38
Chief Engineer:	29.33
2 nd Engineer:	27.38
2 nd Mate:	22.74

Cargo Handling Rates Per Hour

Straight Time:	23.47
Overtime:	35.22

EFFECTIVE NOVEMBER 1, 2000

Fit-Out Rates Per Hour

Mater:	30.21
Mate:	28.20
Chief Engineer:	30.21
2 nd Engineer:	28.20
2 nd Mate:	23.42

Cargo Handling Rates Per Hour

Straight Time:	24.18
Overtime:	36.27

EFFECTIVE NOVEMBER 1, 2001

Fit-Out Rates Per Hour

Master:	31.12
Mate:	29.04
Chief Engineer:	31.12
2 nd Engineer:	29.04
2 nd Mate:	24.13

Cargo Handling Rates Per Hour

Straight Time:	24.90
Overtime:	37.36

**NORTHERN TRANSPORTATION COMPANY LIMITED
SCHEDULE "B"**

POSITION: Mate (Effective November 1, 1999)

E.D.P. SCALE: 1 HOUR PER DAY

**E.D.P. RATE: \$27.63/HOUR; CARGO RATE \$23.47/HOUR; OVERTIME RATE \$35.22/HOUR
ANNUAL E.D.P.: \$4,366.00**

Month	EDP Hrs.	EDP cmpn. mnth.	EDP cmpn. acum.	Cargo Hours Worked	Cargo cmpn.	O/T Hours Worked	O/T cmpn.	Cargo & O/T cmpn. accum.	Excess Above Annual	Due End Month
May	12.00	331.56	331.56	-						
June	22.50	621.68	953.24	15	352.05			352.05	-	
July	23.25	642.40	1,595.63	30	704.10			1,056.15		
August	23.25	642.40	2,238.03	50	1,173.50	10	352.20	2,581.85	-	
Sept.	22.50	621.68	2,859.71	60	1,408.20	20	704.40	*4,694.45	**328.45	328.45
Oct.	15.00	414.45	3,274.16	5	117.35			4,811.80	445.80	117.35
Totals	118.50	3,274.16	3,274.16	160	3,755.20	30	1,056.60	4,811.80	445.80	

* This accumulated amount of cargo time and overtime earnings exceeds the applicable annual **EDP** at the end of this month which is prior to the end of the season.

** This amount equals total cargo time (**\$4,694.45**) less annual **EDP** (**\$4,366.00**) equals **\$328.45**

End of Season Payment and Reconciliation:

To Pay: **EDP \$4,366.00**

To Pay: Cargo time and **O/T** in excess -- **\$445.80** less September payment of **\$328.45** equals **\$117.35**.

Note: For **142** day contract employees, the annual **EDP** is **\$3,924.00**

**NORTHERN TRANSPORTATION COMPANY LIMITED
SCHEDULE "B"**

POSITION: Mate (Effective November 1, 2000)

E.D.P. SCALE: 1 HOUR PER DAY

E.D.P. RATE: \$28.46/HOUR; CARGO RATE \$24.18/HOUR; OVERTIME RATE \$36.27/HOUR

ANNUAL E.D.P.: \$4,497.00

Month	EDP Hrs.	EDP cmpn. mnth.	EDP cmpn. acum.	CargoH ours Worked	Cargo cmpn.	O/T Hrs. Wkd.	O/T cmpn.	Cargo & O/T cmpn. accum.	Excess Above Annual	Due End Month
May	12.00	341.52	341.52	-	-	-	-	-	-	-
June	22.50	640.35	981.87	15	362.70	-	-	362.70	-	-
July	23.25	661.70	1,643.57	30	725.40	-	-	1,088.10	-	-
August	23.25	661.70	2,305.26	50	1,209.00	10	362.70	2,659.80	-	-
Sept.	22.50	640.35	2,945.61	60	1,450.80	20	725.40	*4,836.00	**339.00	339.00
Oct.	15.00	426.90	3,372.51	5	120.90	-	-	4,956.90	459.90	120.90
Totals	118.50	3,372.51	3,372.51	160	3,868.80	30	1,088.10	4,956.90	459.90	

* This accumulated amount of cargo time and overtime earnings exceeds the applicable **annual EDP** at the end of this month which is prior to the end of the season.

** This amount equals total cargo time (**\$4,936.00**) less annual **EDP** (**\$4,497.00**) equals **\$339.00**.

End of Season Payment and Reconciliation:

To Pay: **EDP \$4,497.00**

To Pay: Cargo time and O/T in excess -- \$459.90 less September payment of **\$339.00** equals **\$120.90**.

Note: For **142** day contract employees, the **annual EDP** is **\$4,042.00**.

**NORTHERN TRANSPORTATION COMPANY LIMITED
SCHEDULE "B"**

POSITION: Mate (Effective November 1, 2001)

E.D.P. SCALE: 1 HOUR PER DAY

E.D.P. RATE: \$29.32/HOUR; CARGO RATE \$24.90/HOUR; OVERTIME RATE \$37.36/HOUR

ANNUAL E.D.P.: \$4,632.00

Month	EDP Hrs.	EDP cmpn. mnth.	EDP cmpn. acum.	Cargo Hrs. Wkd.	Cargo cmpn.	O/T Hrs. Wkd.	O/T cmpn.	Cargo & O/T cmpn. accum.	Excess Above Annual	Due End Month
May	12.00	351.84	351.84							
June	22.50	659.70	1,011.54	15	373.50			373.50	-	
July	23.25	681.69	1,693.23	30	747.00			1,120.50	-	
August	23.25	681.69	2,374.92	50	1,245.00	10	373.60	2,739.10	-	
Sept.	22.50	659.70	3,034.62	60	1,494.00	20	747.20	*4,980.30	**348.30	348.30
Oct.	15.00	439.80	3,474.42	5	124.50			5,104.80	472.80	124.50
Totals	118.50	3474.42	3474.42	160	3984.00	30	1,120.80	5104.80	472.80	

* This accumulated amount of cargo time and overtime earnings exceeds the applicable annual **EDP** at the end of this month which is prior to the end of the season.

** This amount equals total cargo time (**\$4,980.30**) less annual **EDP** (**\$4,632.00**) equals **\$348.30**.

End of Season Payment and Reconciliation:

To Pay: **EDP \$4,632.00**

To Pay: Cargo time and O/T in excess -- **\$475.80** less September payment of **\$348.30** equals **\$124.50**.

Note: For **142 day** contract employees, the annual **EDP** is **\$4,163.00**.