



COLLECTIVE AGREEMENT

By And Between:

SMS EQUIPMENT INC.



AND:

UNIFOR
LOCAL # 707 – A



May 1, 2015 – April 30, 2019

Table of Contents

ARTICLE 1 - PURPOSE	3
ARTICLE 2 - UNION RECOGNITION	3
ARTICLE 3 - MANAGEMENT RIGHTS	3
ARTICLE 4 - DISCRIMINATION	4
ARTICLE 5 - UNION REPRESENTATION	4
ARTICLE 6 - STRIKES AND LOCKOUTS	6
ARTICLE 7 - GRIEVANCE PROCEDURE	6
ARTICLE 8 - ARBITRATION	7
ARTICLE 9 - SENIORITY	8
ARTICLE 10 - LAYOFF AND RECALL	12
ARTICLE 11 - JOB VACANCIES AND PROMOTIONS	13
ARTICLE 12 - HOURS OF WORK	15
ARTICLE 13 - OVERTIME AND PREMIUM PAY	16
ARTICLE 14 - SALARIES	19
ARTICLE 15 - TOOLS	21
ARTICLE 16 - APPRENTICESHIP PROGRAM	22
ARTICLE 17 - PAID HOLIDAYS	22
ARTICLE 18 - VACATIONS	23
ARTICLE 19 - LEAVE OF ABSENCE	24
ARTICLE 20 - SAFETY AND HEALTH	26
ARTICLE 21 - HEALTH AND WELFARE PLAN	27
ARTICLE 22 - RETIREMENT PLAN	28
ARTICLE 23 - DURATION OF AGREEMENT	28
APPENDIX "A" – CLASSIFICATIONS AND HOURLY RATES	29
LETTER OF UNDERSTANDING	Error! Bookmark not defined.

ARTICLE 1 - PURPOSE

1.01

a) The purpose of this Agreement is promote harmonious relations between the Company, the Union and the employees; free of discrimination encourage safety; promote the morale of all Employees through procedure for the fair and peaceful resolution of grievances and disputes; to provide a means for continuing dialogue that has the mutual objective of resolving differences and matters of concern to either party and to promote a shared commitment to effective and efficient operation in the interest of both parties.

b) The provisions of this Agreement are intended to be gender neutral, and will be interpreted on that basis.

ARTICLE 2 - UNION RECOGNITION

2.01

The Company recognizes the Union as the sole and exclusive bargaining agent for all Employees at the Fort McMurray locations except office, clerical and sales personnel.

2.02

If the Company implements, during the life of the Agreement, a new job not covered by this Agreement the incumbents will automatically be included in the bargaining unit unless specifically excluded by mutual agreement or by virtue of being excluded by the Labor Relations Board Certificate. When a new classification is to be created, the Company agrees to discuss with the Union the new classification and negotiate the rate of pay before establishing it.

2.03

- There shall be an automatic deduction of an amount equivalent to the membership dues determined by the Union from the wages of all Employees.
- The Company shall forward to the Union all dues deducted within fourteen (14) days after such deductions were made along with a list of Employees and the amount deducted on each persons behalf.
- The payment of dues is a condition of employment.

2.04

Union dues deducted will be included on Employees' T4 slips.

ARTICLE 3 - MANAGEMENT RIGHTS

The union recognizes that:

3.01 a) The management and operation of the plant and the direction of the working forces are vested exclusively in

the Employer.

b) The Company agrees to exercise its management rights and administer the collective agreement reasonably, fairly, in good faith, in a manner consistent with the terms of the collective agreement.

3.02

The Employer has and shall retain the right to select its Employees, to hire, classify, promote, demote or discipline them and discharge Employees for just cause, provided that a claim of discrimination by an Employee in respect to any of these matters, or a claim of violations, of any Section or Article of this Agreement, may be the subject of a grievance and be dealt with as hereinafter provided.

3.03

Matters not specifically covered by the expressed provisions of this Agreement will be dealt with at the sole discretion of the Company.

ARTICLE 4 - DISCRIMINATION

4.01

Neither party shall discriminate against any employee on the basis of Union activity, race, religious beliefs, colour, gender, physical disability, mental disability, age, ancestry, place of origin, marital status, source of income, family status or sexual orientation of that person or any other person. The parties will act in accordance with Alberta Human Rights Act and that the foregoing grounds are subject to the bonafide occupation requirements permitted in law.

ARTICLE 5 - UNION REPRESENTATION

5.01

The Union agrees to notify the Company of the names of the personnel authorized to represent the Union in its' relations with the Company.

5.02

The Company and the Union agree to form a Joint Union Management Committee consisting of the Bargaining Unit Executive as well as selected members of Management for the purpose of discussing matters of concern that may arise between the parties. The Committee will meet as required to discuss current issues but will have no authority to alter or amend any terms and conditions of this Collective Agreement.

5.03

The Company agrees on a semi-annual basis, or as required, to furnish the Union with a complete seniority list of all Employees in the Bargaining Unit. This list is to include any Employee hired, terminated, promoted or transferred outside the jurisdiction of the bargaining unit since the previous report.

5.04

a) The Company agrees to recognize one (1) duly elected or appointed Union Steward per twenty (20)

bargaining unit employees. The union will provide to the Company an updated list of Stewards quarterly.

b) Union stewards will be permitted paid time away from regular duties to investigate and or present grievances on behalf of any Employee.

c) The Steward must notify the immediate supervisor and receive prior approval for the expected length of absence.

5.05

All new Employees will be given a copy of the collective agreement and introduced to a shop steward, if available, for the purpose of indoctrination by the Union.

5.06

The National Representative of the Union shall have access to the workplace and may attend any meetings with Management upon request of the Bargaining Unit Executive. The bargaining unit will notify and obtain Management approval of any such requests.

5.07

Any Employee shall have the right to have a Union Steward present at any discussion with Management that the Employee believes might be the basis for disciplinary action. In the course of a conversation if the employee believes it is becoming a disciplinary action or will be used in a disciplinary action, they have the right to end the conversation until a Union Steward is present. The Employer may also require a Steward to be present.

5.08

Any Employee will be provided supervised access to their personnel file upon request. Further, it is agreed that records of disciplinary action placed on an Employee's personnel file that are over twelve (12) months old will not be referred to in any subsequent action or arbitration hearing, provided there are no further incidents of discipline during this twelve (12) month period.

An exception to the above paragraph will be Last Chance Agreements. Last Chance Agreements will remain on an employee's file for the period of time outlined in the Last Chance Agreement. If a period of time is not outlined, the Last Chance Agreement will remain on the employee's file indefinitely. Last Chance Agreements will normally be agreed upon by the Union, the Employee and Management. In the absence of an agreement, Management will impose the Last Chance Agreement, in which case the Union may choose to grieve and arbitrate the Last Chance Agreement in accordance with Articles 7 and 8.

5.09

Leave of absence without pay and without loss of seniority will be granted to:

a) Employees who are representatives of the Union on the bargaining committee to carry on negotiations with the Employer.

b) Employees called to appear as a witness before an arbitration hearing.

5.10

Leave of absence without pay and without loss of seniority may be granted to not more than two (2) Employees to attend Union conferences, conventions or training courses providing each leave is not more

than seven (7) working days and further provided the Company is notified at least seven (7) days in advance. Such leaves will not be unreasonably denied.

5.11

The Company will provide funds to the Union in the following manner:

- a) A maximum of six hundred (600) hours annually or an amount not to exceed \$18,156 based on \$30.26 per hour.
- b) The Union Grievance Committee, not exceeding three (3) persons, will be indemnified against any lost wages as a result of attending a meeting with the Company in accordance with Article 7.03.

5.12

The Company will supply lockable bulletin boards in the workplace for the use of the Union in posting information of interest to the members. Access to these bulletin boards will be restricted to Executive Members of the Union.

ARTICLE 6 - STRIKES AND LOCKOUTS

6.01

The Union and the Company agree that during the life of this agreement there shall be no strike, lockout or work slowdown.

ARTICLE 7 - GRIEVANCE PROCEDURE

7.01

A Grievance is a complaint relating to the interpretation, application or alleged violation of this Agreement. A grievance may be issued in the form of an individual, group, policy or Company grievance.

For the purposes of this article only scheduled working days are defined as the employees or managers regular scheduled days of work. For clarity when the grievance is in the hands of the employee then it refers to the employee's working days and when the grievance is in the hands of management then it refers to the schedule of the said manager.

7.02

Any Employee, or group of Employees who has a complaint shall first discuss the matter with their Supervisor to try to resolve the matter promptly. The Employee(s) or Employer may request to have a Union Steward present at such meetings.

If the matter is not resolved within 24 hours and it becomes a written grievance the steward or employee will then ask the supervisor to sign off to indicate that the Supervisor had an opportunity to resolve the complaint prior to it being put into written grievance. At this point the supervisor will also provide a written summary of the original verbal response.

7.03

Step 1: If the complaint is not resolved as per 7.02 it then becomes a grievance if the Employee(s) and his/her Union steward present a written grievance, to their next level of management, specifying the provision(s) of the Collective Agreement violated and specifying the remedy requested within seven (7) scheduled working days of the date of the occurrence or becoming aware of the grievable situation. The next level of management will give his/her decision to the Steward involved in writing within seven (7) scheduled working days following the receipt of the written grievance.

Step 2: If the settlement is unsatisfactory the Steward may advance the grievance to the Manager or Human Resources within ten (10) scheduled working days from the date of the answer to Step 1. The Manager or his/her appointee will arrange a meeting with the Union Grievance Committee within fourteen (14) scheduled working days. The Manager, or appointee, may be accompanied by another member of management, or advisor, at this meeting. The Manager will render his/her decision within ten (10) scheduled working days.

The Company and Union agree to consider all requests to extend time limits and such requests will not be unreasonably denied.

7.04

Termination grievances will be advanced directly to Step 2.

7.05

Any grievance not submitted or advanced within the time limits specified shall be deemed to be abandoned. Similarly, any grievance not referred to arbitration within the time limit specified will be deemed to be abandoned. If the company does not respond within the time limits specified the grievance may be advanced by the Union to the next step of the grievance procedure.

7.06

A grievance that cannot be submitted by an individual or group may be submitted as a policy grievance. Either party of this Agreement may lodge a policy grievance in writing with the other party on any difference between the parties concerning interpretation, application or administration of this Agreement. Policy grievances shall be heard at Step 2, must be submitted within ten (10) scheduled working days of the date of occurrence or becoming aware of the grievable situation and responded to within ten (10) scheduled working days of being presented.

ARTICLE 8 - ARBITRATION

8.01

Failing resolution of any grievance at Step 2, the grievance may be submitted to arbitration by notifying the company or union in writing within thirty (30) calendar days of receipt of the written reply in Step 2.

8.02

Grievances will be heard by a single Arbitrator except in the case of a policy grievance relating to the interpretation or application of this Agreement. In such a circumstance, the parties may mutually agree to refer the arbitration to a Board of three (3) persons.

8.03

The hearing will be scheduled and the Arbitrator(s) will give a reply. The parties agree to schedule termination grievances for arbitration at the earliest opportunity.

8.04

The Union will pay its cost of Counsel and the Company will pay its costs. The cost of the Arbitrator will be split equally between the Company and the Union. An Arbitrator's decision shall be final and binding on the parties.

ARTICLE 9 - SENIORITY

9.01

Seniority is defined as total length of service in a position covered by the scope of the bargaining unit calculated from the last date of hire into a bargaining unit position at the Fort McMurray locations.

9.02

When a new Employee is hired, it is agreed that he/she shall be on probation for five hundred and four (504) straight time hours worked. During this probationary period the Employee may appeal to his/her Manager but will have no access to the grievance procedure regarding termination, provided the Employee has been notified of any deficiencies in writing and given the opportunity to correct them. After successful completion of the probationary period, the Employee's seniority shall be dated from the day their employment began.

9.03

When two (2) or more Employees are hired on the same day seniority will be determined by using date of birth. The new hire with lowest month will be most senior. Should two or more new hires share the same month then lowest date will be used to determine seniority. Should the new hires have the same month and day for a birth date then the lowest year will be used to determine seniority.

9.04

(a) Employees who accept a temporary or permanent position outside the bargaining unit other than as Chargehand may accrue seniority for a period not to exceed five hundred and four (504) hours in a calendar year subject to the remittance of union dues.

(b) Employees who accept a position of Chargehand to temporarily fill a vacancy or meet a temporary need pursuant to Articles 9.06, 9.07 or 9.08 may accrue seniority for a period not to exceed five hundred and four (504) combined total hours in such roles in a calendar year subject to remittance of union dues. The Company may ask that the Union agree to extend the five hundred and four (504) hour period and such consent shall not be unreasonably withheld. Employees accepting these positions must sign a Chargehand acknowledgement, a copy of which will be forwarded to the union

(c) An employee who accepts a position of Chargehand in anticipation of that employee accepting an existing or anticipated permanent Supervisor position pursuant to Articles 9.10 or 9.11 may accrue seniority for a period not to exceed five hundred and four (504) hours subject to remittance of union dues. Employees accepting these positions must sign a Chargehand acknowledgement, a copy of which will be forwarded to the union.

(d) An employee who accepts a permanent Supervisor position with the Company outside of the bargaining unit pursuant to Articles 9.10 or 9.11 may accrue seniority for a period not to exceed five hundred and four (504) hours including the hours since the employee first accepted a non-bargaining unit position subject to remittance of union dues.

(e) No employee may accrue seniority in Chargehand and Supervisor positions in excess of one thousand and eight (1008) hours in a calendar year.

(f) Except as otherwise agreed, following the expiry of any of the preceding limits, the employee's name shall be removed from the bargaining unit seniority list.

9.05

An Employee shall lose seniority in the event that:

- a) The Employee is discharged for just cause and not reinstated by the grievance procedure.
- b) The Employee quits or retires.
- c) The Employee fails to return to work after being recalled from layoff.
- d) The Employee has expired all recall rights.
- e) The Employee misses two (2) consecutive shifts without direct notification to the Company unless such notification was not reasonably possible.

9.06

Employees may be appointed as Chargehands for temporary purposes under one or more of the following circumstances:

- a) To replace a Supervisor absent due to vacation, illness, leave of absence, temporary promotion or training;
- b) to replace a Supervisor temporarily assigned to a large job which prevents that Supervisor from performing regular supervisory functions in respect to the employees normally reporting to that supervisor; or
- c) When assigned to a large job requiring the full authority of management.

9.07

When the incumbent of an existing Supervisory position permanently vacates that position without any significant prior notice to the Company, an employee may be temporarily appointed as Chargehand for up to one hundred and sixty eight (168) hours pending selection by the Company of a Chargehand considered

a candidate ("Chargehand Candidate") for permanent appointment to that vacant Supervisor position pursuant to Article 9.10. Where the employee temporarily appointed as Chargehand pursuant to this Article is selected as a Chargehand Candidate for that Supervisor position, time spent as Chargehand by that employee under this Article shall count towards the five hundred and four (504) hours provided for in Article 9.04 (c) and Articles 9.10 (a) or 9.10 (c).

9.08

When the Company has not succeeded in filling a permanent Supervisor vacancy pursuant to Articles 9.10 or 9.11 an employee may be appointed as Chargehand to temporarily fill that vacant Supervisor position pending recruitment of an external candidate (or bargaining unit member without reversion rights). Following the expiry of two (2) calendar months, any Chargehand appointment to fill the vacant Supervisor position under this Article shall be terminated and the Company shall not be permitted to use a Chargehand to fill the vacant Supervisor position. The Company may ask that the Union agree to extend the two (2) calendar month period and such consent shall not be unreasonably withheld.

9.09

Chargehands appointed pursuant to Articles 9.06, 9.07 or 9.08 will not perform bargaining unit work while acting as a Chargehand, and subject to Articles 9.09 (a) and (b) below, shall possess the full authority of management.

(a) Such Chargehands shall not perform performance evaluations except in conjunction with Supervisor.

(b) Such Chargehands' authority to impose discipline shall be limited to participating in an investigation including imposing temporary work suspensions, only after obtaining direction from Management,

9.10

The following provisions shall apply when the incumbent of an existing Supervisory position permanently vacates that position, or when all necessary Company approvals have been granted for the creation of a new Supervisor position:

(a) The company may appoint an employee as Chargehand ("Chargehand Candidate A") for an initial assessment period of up to five hundred and four (504) hours, within which time Chargehand Candidate A must either be reverted to his bargaining unit position, or offered the position of Supervisor.

(b) If Chargehand Candidate A accepts the position of Supervisor, he may subsequently be reverted or chose to revert to a position in the bargaining unit within an additional five hundred and four (504) hours.

(c) If Chargehand Candidate A is reverted or reverts to a position in the bargaining unit, the Company may appoint a second employee as Chargehand ("Chargehand Candidate B") for an initial assessment period of up to five hundred and four (504) hours, within which time Chargehand Candidate B must either be reverted to his bargaining unit position, or offered the position of Supervisor.

(d) If Chargehand Candidate B accepts the position of Supervisor, he may subsequently be reverted or chose to revert to a position in the bargaining unit within an additional five hundred and four (504) hours.

(e) If Chargehand Candidate B is reverted or reverts to a position in the bargaining unit, whether before or after accepting the position of Supervisor, or no Chargehand Candidate B is identified by the Company then, except as permitted by Article 9.08, the Company shall not be permitted to fill the vacant Supervisor position with a Chargehand.

9.11

The following provisions shall apply when the Company determines that a new Supervisor position (the "Prospective Position") is required, and where a formal requisition seeking approval for the creation of a Prospective Position has been submitted, but where all necessary Company approvals for the creation of the Prospective Position have not yet been granted:

a) The Company shall provide confirmation to the Union of the date that the Company submits the formal requisition seeking approval for the creation of the Prospective Position (the "Requisition Date"), and shall provide updates to the Union regarding the status of the approval process when requested.

b) Commencing on or after the Requisition Date, and not before, the Company may appoint no more than two employees as Chargehand to fill the Prospective Position in accordance with Article 9.10 (a) through (e).

c) If all necessary Company approvals for the creation of the Prospective Position have not been granted before a total of five hundred and four (504) Chargehand hours have been worked in the Prospective Position, any Chargehand appointment to fill the Prospective Position shall be terminated, and the Company shall not be permitted to use a Chargehand in respect to the same or substantially the same Prospective Position unless and until approval for the creation of the position has been granted.

d) Time spent as a Chargehand to fill the Prospective Position shall count towards the five hundred and four (504) hours referenced in Articles 9.10 (a) or (c) should all necessary Company approvals be granted for the creation of a new Supervisor position.

9.12

If a dispute should arise as to whether consent to extend the five hundred and four (504) hour period provided for in Article 9.06 or the two (2) calendar month period provided for in Article 9.08, has been unreasonably withheld that dispute shall be submitted for expeditious final arbitration by Andrew C.L. Sims, Q.C. (or such other Arbitrator as the Parties may mutually agree). The Arbitrator shall determine the issue by such expeditious summary process as may be established by the Arbitrator, which may involve hearing by telephone conference or by brief written submissions from each party. The summary process shall not be delayed by reason of unavailability of counsel. The Arbitrator shall give his decision as soon as is practical after conclusion of the submissions in the summary process, and need not provide written reasons for his decision. Neither the decision nor the reasons, if any, will form any precedent.

9.13

a) Each appointment of a person as Chargehand shall be for a consecutive period of working time, uninterrupted by a return of that person to a bargaining unit position and Chargehands shall not work Statutory Holidays in bargaining unit positions during the term of their Chargehand appointment.

b) A Chargehand who works more than one half of the shifts in a rotation as Chargehand (i.e. more than 3.5 days if working 7 on 7 off, or more than 7 days if working 14 on and 14 off) or who works as Chargehand on the last day of their rotation shall not be eligible to work overtime in a bargaining unit position during the non-working days immediately following the last regular working day of their rotation.

ARTICLE 10 - LAYOFF AND RECALL

10.01

In the event it is necessary to lay-off any bargaining unit Employee, lay-offs shall be in the reverse order of seniority according to job classification.

10.02

Any employee who is subject to lay off may;

- a) Bump the most junior employee in the same classification or
- b) Bump the most junior employee in a classification they have previously held (within the last 5 years) or
- c) Bump the most junior employee provided they are qualified to perform the work required.
- d) A laid off employee shall retain seniority and recall rights with the employer for eight (8) months after the date of lay-off. Recall of Employees shall be in the reverse order of lay-off according to job classification.
- e) If a laid off Employee is called back to work with the Employer within his/her right to recall period there shall be deemed to have been no break in such an Employee's continuous service with the Employer by reason of lay-off.

10.03

The Company will make every reasonable effort to contact laid-off Employees at the address and telephone numbers provided by the Employee. It shall be the responsibility of the Employee to keep the Company informed of their current address and telephone number while laid-off.

10.04

During the first one hundred and twenty (120) days of a lay-off, an Employee has the right to decline a recall to work if it is not within their classification. An Employee who declines a recall cannot later change his/her mind and bump a junior Employee.

Beyond one hundred and twenty (120) days, the Employee cannot decline a recall to work. If an Employee chooses to decline a recall to work beyond one hundred and twenty (120) days, he/she automatically forfeits his/her right to recall and seniority and receives lay-off pay in accordance with Article 10.05.

An employee must work for a minimum of seven (7) consecutive work days in order to reset the recall period to eight (8) months.

10.05 Lay-off Pay

If an Employee is laid off for a period that exceeds his/her right to recall as provided for in the seniority provisions of this Agreement, he/she shall be entitled to the following grid as per his/her entitlement minus any notice given in lieu of pay:

More than three (3) months but less than two (2) years:	1 week pay or notice
Two (2) years but less than four (4) years:	3 weeks' pay or notice
Four (4) years but less than six (6) years:	5 weeks' pay or notice
Six (6) years but less than eight (8) years:	6 weeks' pay or notice
Eight (8) years but less than ten (10) years:	7 weeks' pay or notice
Ten (10) years or more:	10 weeks' pay or notice

An Employee may elect to accept lay-off pay under the provisions of this section before the end of his right to recall period, but in so doing shall forfeit all seniority rights accruing to him/her under this Agreement, by reason of his term of service with the Employer.

10.06

In the event of a permanent shop closure, the Company will provide the Union with six (6) months notice. If the events leading to closure were unforeseen, less notice may be given. Employees laid off in this case shall be entitled to severance pay as set out in Article 10.05 above.

ARTICLE 11 - JOB VACANCIES AND PROMOTIONS

11.01

- a. Vacant bargaining unit positions or newly created bargaining unit jobs will be posted for eighteen (18) days in order that existing Employees may apply.
- b. Copies of all postings will be posted in a lockable bulletin board in the main shop building, warehouse lunchroom, and Townsite and an electronic copy will also be sent to the Union.
- c. Employees wishing to apply must do so in writing by submitting the application to Human Resources or the application box.
- d. No applications from Employees received later than the posting closing date will be considered.
- e. Employees who are on vacation or going on vacation or approved leave may submit an intention to bid notice to Human Resources, outlining the jobs they would wish to bid on in their absence. This bid will be valid until the end of their vacation or approved leave.

f. The Company will endeavor to award the successful applicant and notify the Union within five (5) business days from the date the posting closes. Successful candidates will be notified by email or phone (voice message) if provided on the application. The Company will endeavor to re-assign the successful employee within 336 hours.

g. The job posting shall include:

a. description of the job scope,

b. qualifications,

c. shift schedule, including rotation

d. location

e. information regarding premiums and allowances

f. travel arrangements

g. information on accommodations if applicable (ie. which camp)

h. expected start and end date (if applicable)

i. Contact for further details on the job.

j. The job posting shall include description of the job scope, qualifications, shift schedule, location and contact for further details on the job. c) Successful applicant will be posted and successful applicant will be notified by email or phone (voice message) if provided on the application.

11.02

When filling vacancies or promotions, provided the applicants have the qualifications and ability to perform the required work, seniority will be the determining factor. In the event that there are no applicants or that none of the applicants for the position has sufficient qualification and ability to properly perform the work in question, the Company reserves the right to fill the position from any source.

11.03

a) An Employee accepting a new position shall be allowed to revert to their former position (crew and start time) by giving written notice to the HR department within the first 336 hours worked of their new position for any reason.

If, during this same period, it appears to the Management that such employee does not have the ability to perform the duties of the new position, the Company may, after consultation with the Union, require him to revert to his former position. During this same period an employee shall not be disciplined or discharged for failure to meet requirements of his new position (gross negligence excluded). If an employee returns to their former position, they will not be eligible to apply for another job posting for a period of 6 months if it is their second time reverting back within twelve (12) month period unless mutually agreeable to the Company and the Union.

b) The selected applicant will not be eligible to apply for a further job posting for a period of six (6) months from the end of the 3 cycle trial period (per 11.03 a)) unless he specifically so requests and it is mutually agreed between the Company and the Union or if there is any significant change in job tasks (i.e. shift, start – stop times, work scope).

11.04 Temporary Assignment

- a) Temporary assignments expected to exceed 60 calendar days will be posted in accordance with article 11.01.
- b) Posting for a temporary assignment shall be done as soon as possible when it is known it will exceed 60 days.
- c) Should the temporary assignment exceed 180 calendar days, the posting will become permanent and the successful applicant to the posted temporary assignment will be confirmed as permanent (the provisions of article 11.03 will apply).
- d) Should the temporary assignment not exceed 180 calendar days the employee will return to their original position upon completion of the temporary assignment.
- e) Should a vacancy due to illness, injury or approved leave as per a) above be 180 calendar days or less, the absent employee shall be reinstated to their previous position. In this circumstance, the temporary assignment employee will return to their original position.
- f) Should an the employee be absent due to illness, injury or approved leave and return after 180 calendar days, they will be provided with alternate work within the classification they held when their absence began.

11.05

Training will be distributed, first to employees who require the training to fulfill their duties for their posted or temporarily assigned position then by seniority and department where ever possible. Both parties recognize that it is not always practical to train senior employees due to short notice training opportunities and customer commitments.

ARTICLE 12 - HOURS OF WORK

12.01 Regular Work Schedules

Eight (8) hour schedules for Employees shall be defined as eight (8) hours per day, forty (40) hours per week, on five (5) days of work per week as determined by the Company.

Ten (10) hour compressed work week schedules shall be defined as ten (10) hours per day, forty (40) hours per week, on four (4) days of work per week as determined by the Company.

Twelve (12) hour compressed work week schedules shall be defined as twelve (12) hours per day and which average forty-two (42) hours per week over the rotation cycle of the schedule.

12.02

Shift schedules, starting and stopping times shall be established by the Company and be posted in a conspicuous place for eighteen (18) calendar days in advance of their effective date.

For a permanent shift change, Employees will be provided a minimum of seven (7) days notice. If seven (7) days notice is not provided for a permanent shift change, the Employee will be paid overtime during the first three (3) days of the current (new) shift schedule for all hours worked.

Temporary Shift Change (days to nights/nights to days)

1. For a temporary shift change, Employees shall have at least twenty-four (24) hours written notice calculated backwards from the start time of the new shift.
2. If twenty-four (24) hours written notice is not provided for a temporary shift change, the Employee will be paid overtime during the first (1st) day of the current (new) shift for all hours worked that are outside his/her previous (old) shift's regular hours of work.
3. Employees required to change from shift to another will not lose any pay.

Temporary Change to start/stop time

1. For a temporary start/stop time change, Employees shall have at least twenty-four (24) hours' notice calculated backwards from the new start time.
2. If twenty-four (24) hours' notice is not provided for a temporary start/stop time change, the Employee will be paid overtime during the first (1st) day of the new shift for all hours worked that are outside his/her old shift.
3. If an employee has had their start/stop time changed for a third time not including a request by the employee for a change back to their usual start/stop time, they will receive three(3) hours of overtime on the first day of the new start/stop time change.

ARTICLE 13 - OVERTIME AND PREMIUM PAY

13.01 Chit System

To the extent that the Union and the Company are committed to and remain committed to making this system work, The Company will adhere to the following "Chit" system throughout the life of this Agreement. For the purpose of overtime coverage, the following will apply, provided an Employee can work his next regularly scheduled shift at regular pay:

(a) Employees who volunteer to work overtime on their scheduled days off will place their names in a chit book at least four (4) working days prior to their scheduled days off. The chit book shall be in triplicate form with a copy forwarded to the Union on a weekly basis.

Priority of chits received:

1. First priority, to qualified Employees lowest on the overtime list who have submitted chits in accordance with (a) above.
2. Second priority, to qualified Employees lowest on the overtime list who have submitted chit less than four (4) working days prior to their scheduled days off.

3. If insufficient chits are received, the low employee on the overtime list will be offered the overtime assignment. In such cases where (2) or more employees have the same hours then seniority will prevail.

Employees, who have reported sick or AWOL during their regular shift cycle, will automatically decrease in priority by one level for overtime opportunities which occur on their next set of days off.

(b) The Company will make reasonable effort to contact Employees forty eight (48) hours before start of shift.

(c) All overtime lists will be reset to zero annually on January 1st.

(d) Carryover work to a maximum of two days is allowed to continue as long as the hours are recorded on the overtime list and a justification form is forwarded to the Union. Carryover at the end of a shift will not require a justification form.

(e) For overtime of short duration that arises at the end of a normal shift, the Employee, already on site, who is lowest on the overtime list, will be asked to work the overtime.

(f) New Employees must be averaged into the overtime list.

(g) Any, distribution of overtime, found to be in violation of this article of the collective agreement, will be resolved through mutual agreement between the wronged employee and their supervisor. Such agreement is limited to an overtime assignment of equal duration, at a time acceptable to the employee and not more than forty-five (45) calendar days after the original overtime assignment giving rise to the claim or the date such original assignment was determined to be in violation, whichever is later. This forty-five (45) day period will be extended by the number of shifts an employee is absent from regular duties on an approved leave of four (4) or more consecutive days.

Such overtime assignment will not result in another employee being denied overtime.

(h) If a violation of overtime has not been resolved within forty-five (45) calendar days as per (g) and it has not been extended by mutual agreement between the Supervisor and the Employee, the wronged employee will receive overtime for their next regular scheduled shift(s) equal to the amount of chits submitted. This clause will only apply when the Company has not made a reasonable offer to resolve the matter within the 45 days.

Both parties in the interest of resolving any issues that may emerge will review this agreement quarterly.

13.02

If an Employee is required to work in excess of the hours of a regular work schedule or compressed work week schedule as outlined in Article 12, the Employee will be paid time and one half (1.5x) the Employee's regular rate for the additional hours worked.

Employees working a twelve (12) hour compressed work week schedule as defined in Article 12.01, will be paid two and three quarters percent (2.75%) of current classification and hourly rate as per Appendix "A" for

all scheduled hours worked on the compressed work week schedule in lieu of any overtime that is worked as part of the regular shift schedule. This premium does not apply to overtime hours.

13.03

Employees may bank time equivalent to one hundred and forty-four (144) for 6X6 or 12X12 sets or one hundred sixty eight (168) for 7X7 or 14x14 sets straight time maximum per year. All overtime thereafter shall be paid at the appropriate rate to said Employee.

a. Banked time will be used to minimize layoffs.

b. All unused banked time must be paid out on the last pay period in March.

c. The utilization of banked time will be determined by the Company subject to its operating needs.

d. Selection of Employees to use banked time off shall first be on a voluntary basis and secondly according to seniority.

e. Employees are allowed to bank:

i. 8 hours straight time for 12 x12 or 14 x 14 sets. This must be banked on the Tuesday that the crew has their larger pay

ii. 4 hours straight time for 6 x 6 or 7 x 7 sets. This must be banked on the last 4 hours of the set

In certain circumstances, and following discussions with the Union, the Company may allow banked time to exceed the aforementioned maximum.

13.04

Banked hours may be withdrawn by an Employee in whole or in part at their regular rate at time of withdrawal.

13.05

An Employee who has returned to their residence and who is called back to work before the start of their next regular shift will receive the greater of:

a) The applicable overtime rate for all hours worked, or,

b) A minimum of four (4) hours pay computed at the applicable overtime rate, provided the work is not contiguous with an Employees regular shift (ie. If an Employee is called out two (2) hours before his/her regular shift start, he/she would get paid for the applicable overtime hours worked before the start of his shift). Employees shall not be required to stay for the full four (4) hours if the call-out is complete.

c) Employees designated for standby shall receive one (1) hours pay

13.06

Each employee is entitled to eight (8) consecutive hours rest between shifts. Employees are not required to resume work until eight (8) consecutive hours between shifts have elapsed. Time off for rest breaks that overlap with the start of the Employee's next regularly scheduled shift will be paid at straight time rates to a maximum of six (6) hours. Employees may return to work on their own accord provided eight (8) cumulative hours have elapsed between shifts.

ARTICLE 14 - SALARIES

14.01

All Employees will be paid wages in accordance with the classifications as set out in Appendix "A" of this Agreement.

- a) Leadhand Premium: 5% over and above the highest rate led as per Appendix "A".

All leadhands hours will be tracked and forwarded to the union on a monthly basis. Leadhands remain within the scope of the Collective Agreement. Leadhands will be assigned as required. Leadhands will direct and assign tasks with the job that is set forth by the Supervisor and/or Management while performing their own assigned tasks. Leadhands shall report to a Supervisor or Chargehand, and shall not have the authority to discipline Employees.

- b) Chargehand Premium: 10% over and above the highest rate led as per Appendix "A".

Chargehands are excluded from the Collective Agreement while so assigned and if assigned to the position from a bargaining unit classification, are subject to the provisions of Article 9.04. The Chargehand premium contained will only apply to the position of Chargehand when the assignment is given to a bargaining unit Employee covered by the Collective Agreement. Chargehands shall only be appointed in accordance with Articles 9.06, 9.07, 9.08, 9.10 and 9.11.

All premiums do not attract overtime.

Summer & Co-op Students:

- a) Shall not accumulate seniority.
- b) Shall be exempt from coverage under 21 and 22 of this agreement.
- c) Will pay union dues.
- d) No employee shall be displaced, laid off or have their rights to recall deferred as a result of a summer or Co-op Students being hired.
- e) Rate of pay: 20% less than Laborer rate.

14.02

Shift differentials will be paid as a premium in addition to regular and overtime rates as follows:

Graveyard Shift:

- May 1, 2014 – two dollars and seventy-five cents (\$2.75)

Afternoon Shift: \$.55 per hour.

14.03

Employees assigned to work in a confined space, or rotate work in a confined space as a member of a team, will be paid a premium of three dollars (\$3.00) per hour for the time engaged in the work. The premium will not be paid to confined space monitors or any other members of the confined space team unless they actually work in the confined space or take a turn working in the confined space.

14.04

Employees assigned field work, away from the Company's premises, will be paid a premium per hour worked for all time reported on the field work time card. Employees will not receive the initial travel time to the first customer site and last travel time returning to Company's premises. If employee is requiring travelling to another customer site during the shift, they will be paid field premium for travel time between customer sites during this shift.

- May 1, 2016 – two dollars and fifty cents (\$2.50)
- May 1, 2017 – two dollars and fifty cents (\$2.50)
- May 1, 2018 – two dollars and fifty cents (\$2.50)

Posted field positions as per Article 11:

- Will be paid field premium for their full shift even if they work on Company's premises during the same shift that they have been working or worked in the field.
- Will not be paid field premiums if they are assigned to work the full shift on Company's premises.

Posted shop (non-field) positions as per Article 11:

- Will be paid field premium for assigned field work, away from the Company's premises only. All work on Company's premises will not be paid field premium even if employee has worked field in the same shift.

For employees who are required to use the customer's transportation from Fort McMurray, the field premium is three dollars and twenty five cents (\$3.25) per hour.

14.05

- a) Employees permanently assigned to Company locations outside Fort McMurray city limits will be paid a travel allowance of two-hundred and fifty dollars (\$250.00) per month. This allowance becomes payable effective the first of the month following date of employment and will not be paid if an Employee uses Company supplied transportation to travel to and from the work site.
- b) Employees temporarily assigned to Company locations outside of Fort McMurray city limits and using their own transportation will be paid a travel allowance of fifteen dollars (\$15.00) per shift.

Travel allowance will not be paid if an Employee uses Company supplied transportation to travel to and from the work site.

14.06

Employees will be paid a regional wage adjustment on a per month basis payable as follows:

Employees provided Company accommodations:

May 1, 2010 - three hundred and fifty dollars (\$350.00)

Employees residing in Fort McMurray:

May 1, 2014 – one thousand dollars (\$1,000.00)

The regional wage adjustment for new Employees becomes payable effective the first of the month following date of employment.

ARTICLE 15 - TOOLS

15.01

All authorized journeyperson mechanics and apprentices shall receive \$500 per calendar year as a tool allowance. All authorized journeypersons electricians and apprentices shall receive \$350.00 per calendar year as a tool allowance. All authorized journeyperson welders and apprentices shall receive \$200 per calendar year, as a tool allowance.

The Company will prepare a list of required tools for each trade. The Company will consult with the Union in preparing the tool list.

15.02

The allowances will be paid for eligible and active employees on December 31st and prorated based on the number of full months employed with SMS Equipment, Fort McMurray locations.

15.03

To be eligible to receive the tool allowance, Employees must first have the tools adequate to meet the minimum tool list requirement as provided by the Company for their job classification. Furthermore, Employees are required to submit a detailed tool list at the beginning of each year in order to be eligible to receive a tool allowance.

15.04

The above tool allowance is to be used to help purchase, replace and maintain a personal tool supply sufficient for job requirements when used in conjunction with those tools and supplies owned and provided by SMS Equipment. The Company will not replace broken, lost or stolen tools.

ARTICLE 16 - APPRENTICESHIP PROGRAM

16.01

Apprentices shall be paid in accordance with the appropriate regulations of the Alberta Apprenticeship Act including the required tuition and book costs. Selection shall be based on Alberta Apprenticeship Act qualifications and SMS Apprentice Selection Policy. If two or more applicants are qualified, the determining factor shall be seniority.

16.02

All apprentices shall acquire and maintain the basic hand tools required to carry out their apprenticeship training.

16.03

Apprentices required to maintain a second residence while attending school not offered in his/her place of normal residence and authorized by the Company, will receive a fifty dollar (\$50.00) per weekday allowance to assist in defraying the travel and living out costs, providing the apprentice attends school on the days for which the allowance is claimed. Proof of daily attendance from the institution will be submitted, if so requested by the Company, in order to be eligible for receiving payment.

ARTICLE 17 - PAID HOLIDAYS

17.01

The following are recognized holidays:

New Years Day	Victoria Day	Thanksgiving Day
Family Day	Canada Day	Remembrance Day
Good Friday	August Civic Holiday	Christmas Day
Easter Monday	Labour Day	Boxing Day

17.02

An Employee is not entitled to statutory holiday pay if the Employee:

- a) does not work on a recognized holiday when required or scheduled to do so, or;
- b) is absent without the consent of the Company on the Employee's last regular work day preceding, or the Employee's first regular work day following a recognized holiday.
- c) Statutory holidays will not be recorded on the overtime chit list.

17.03

For Employees working a regular or compressed work schedule, if the recognized statutory holiday falls on a scheduled day off, that day off may be provided and Employees will receive eight (8) hours statutory holiday pay, payable at straight time and will be able to bank these hours at regular time. When the holiday falls on a scheduled work day, Employees may be provided that day off and will receive statutory holiday pay payable for their scheduled hours at straight time.

17.04

Employees will receive a day off work on statutory holidays, or a day off in lieu may be provided before or after the recognized holiday, unless required by the Company to work. Employees required to work will be paid one and a half times (1.5x) the employees regular rate.

ARTICLE 18 - VACATIONS

18.01

Years of Continuous Service	Vac. Time: 8 Hour Shifts	Vac. Time: 12 Hour Shifts	Vac. Pay	Pay On Vac. Pay
Less than one year	8 hours / month (Max 80 hours)	1shift/month (Max 84 hours)	4%	4.16%*
1 year but less than 2	80 hours	84 Hours	4%	4.16%*
2 years but less than 7 years	120 Hours	120 Hours	6%	6.36%*
7 years but less than 15 years	160 Hours	168 Hours	8%	8.64%*
15 years and over	200 Hours	204 Hours	10%	11%*

*Vacation pay will be paid to all Employees on a current basis. In order to do so, the above asterisk figures are used. These noted percentages represent vacation pay on vacation pay calculations and are not to be considered base vacation pay entitlements as are outlined under the vacation pay column.

18.02 Vacation Pay on Termination

In the event of termination of service with the Employer, by virtue of paying all Employees' vacation pay on a current basis, the Employee shall have received their entire vacation pay owing upon the receipt of their final pay and statement.

18.03

Upon written request of an Employee, the Company shall make an optional second deposit into a separate account of an Employee specified amount. This option will provide Employees full investment and financial control over their money, while at the same time helping them plan for vacation time taken.

18.04

Employees will submit their preferences for vacation in accordance with the following rules:

- A cycle of days off shall take precedence over "a day here and a day there."
- Preference for vacation dates shall be in order of seniority. Each employee receives only one preference until everyone on the crew has selected one set of vacation dates. Vacation preferences will be selected between December 1 and December 31 for the following year. Once everyone has selected one set of vacation dates, a second preference for vacation dates may be selected and so on.
- Available vacation periods will not be "reserved" or "held" beyond December 31.
- Employees may not have the opportunity to take vacation time during the summer months (May 15 to September 15) and the month of December in two (2) consecutive years, unless all other vacation requests have been accommodated.

- For clarification, employees who do not practice the above noted rules when requesting their preference for vacation time will forfeit their opportunity for preference.

18.05

The vacation schedule will be finalized, approved and posted by January 31 of the vacation year and every month thereafter. Requests for vacation time submitted after January 1 shall be approved or denied on a first come, first served basis, and based on workforce requirements and availability of vacation time. Such approval or denial is to be given within fifteen (15) days of the request being received.

18.06

Vacations-Requirement to Take

Employees must take a minimum of two (2) weeks of their allotted vacation time during the year in which it was entitled. There is no carry-over provision for vacation time.

18.07

Vacation Entitlement

Eligibility for vacations shall be maintained, but not accumulated during absence due to temporary illness or non-occupational accident exceeding twenty-six (26) weeks.

18.08

If a statutory holiday(s) falls during the period of an Employees' vacation the Employee will be permitted to take one (1) extra day off and receive statutory holiday pay in accordance with Article 17.

ARTICLE 19 - LEAVE OF ABSENCE

19.01 Leave of Absence Due to Injury or Illness

- (a) When an Employee suffers an injury, whether on the job or not, or suffers an illness preventing him from reporting to work, he will automatically be granted leave of absence until such time as his doctor states he can resume work. In the event of a dispute the Employer reserves the right to obtain independent medical assessments.
- (b) When any Employee suffers an injury or illness which requires his absence, he shall report this fact to the Employer as soon as possible, prior to his actual starting time, so that adequate replacement may be found if necessary
- (c) All benefit coverage shall be maintained for all Employee's on Weekly Indemnity, Long Term Disability or W.C.B. for a period not exceeding twelve (12) months.
- (d) Employees shall be eligible for forty-eight (48) hours of paid sick leave in each calendar year. Employees are not required to submit medical proof of illness unless requested by the Company. Sick leave will not be considered as time worked for any other purposes.
- (e) On a calendar year basis employees will be paid 12 hours quarterly, payable on the first pay period of the month following each quarter (i.e. April, July, Oct, January) Unused sick leave funds are retained by the employee for his/her personal use.
- (f) Employees who quit or otherwise terminate employment will pay a prorated amount of sick leave

funds back to the Company. These funds will be deducted from the employee's last pay cheque.

- (g) New employees will receive a prorated amount of sick leave funds calculated from the first of the month following completion of the probationary period. For these new employees, the funds will be calculated and paid on the first pay day following either April 1, July 1, and October 1.

19.02 Leave of Absence - Application For

If an Employee desires a leave of absence for reasons other than referred to in this section, he must obtain permission, in writing, for the same from the Employer. A copy shall be supplied to the Union.

19.03 Leave of Absence - Other Employment Disallowed

In any instance where an Employee accepts other employment without consent of Management, while on leave of absence for any reason, his employment shall be terminated, subject to proper proof of same.

19.04 Bereavement

If an Employee suffers a death in the immediate family, he/she shall be granted a compassionate leave of absence with full pay for up to three (3) days, and four (4) days if travel greater than three hundred (300) kilometers is required and provided that such leave is taken within a seven (7) consecutive day period commencing with the date of death. Immediate family includes:

- spouse (including common-law or same-sex)
- parents (including step-parents and/or in-laws and same sex)
- brother, sister (including in-laws step brother, step sister, half-brother and half-sister)
- children (including step and adopted)
- grandparents (including step grandparents and/or in-laws and same sex)
- grandchildren (including step grandchildren)
- This article does not apply if an Employee is already on different leave of absence or vacation. The

Employer may grant additional leave without pay to the bereaved Employee.

This article does not apply if an Employee is already on different leave of absence or vacation. The Employer may grant additional leave without pay to the bereaved Employee.

19.05 Jury Duty

(a) All time lost by an Employee due to necessary attendance on jury duty or appearance in court as a crown witness, shall be paid for by the Employer at the rate of pay applicable to said Employee. Employees must notify their immediate supervisor of such absences as outlined above as soon as the appearance date is known.

(b) All jury duty pay received by an Employee for the days he received pay from the Company shall be paid over to the Company. Employees will be expected to be available for work on the first scheduled workday immediately following the completion of their jury duty.

ARTICLE 20 - SAFETY AND HEALTH

20.01 Injury Report

Injury Report: An Employee suffering injury while in the employ of the Employer must report to the their Supervisor immediately, or as soon thereafter as practicable, and also report to their Supervisor on returning to work.

Employees are responsible to:

- Report all illnesses or injuries occurring on duty immediately, regardless of severity, as per the Company's Incident Reporting Policy;
- Report all illnesses and injuries which occur off duty that could affect attendance or performance of duties to the immediate supervisor, as soon as possible or prior to start of shift, regardless of severity;

20.02

Branch safety meetings will be held a minimum of once per month on Company time. The Safety and Health Committee will consist of an odd number of members chosen from bargaining unit Employees and Management. A copy of the minutes taken from each meeting shall be posted for viewing by all Employees.

20.03

The Company will provide adequate and sufficient safety supplies and clothing for Employees. Safety clothing may include: rubber clothes, welder's gloves, aprons, goggles, helmets, coveralls, hard hats for job use where required, hearing protection and safety glasses where required.

20.04 Safety Allowance

- (a) The Company shall reimburse Employees for personal protective equipment (PPE) up to three hundred and twenty-five (\$325) per calendar year as a PPE allowance. Any unused portion of the PPE allowance may be carried for one year. PPE such as prescription safety glasses, CSA work boots, custom hearing protection, extra winter coveralls, etc are eligible. All PPE must meet SMS Equipment safety requirements.
- (b) New Employees with less than 12 months' service, who have completed their probationary period, shall be eligible for a portion of the above allowance pro-rated to the number of full months employed with SMS Equipment, Fort McMurray locations.
- (c) Original receipts for PPE purchases for the calendar year ending December 31st must be submitted to the Company no later than March 30th of the following year. Any Safety Allowance claims submitted after this date will not be accepted by the Company and will not be reimbursed to the employee.
- (d) The original receipts will be returned to the Employee before the end of the day submitted.

20.05

The parties to this Agreement shall at all times comply with the accident prevention regulations of the Occupational Health and Safety Act, as well as all safety regulations specified by the Company.

20.06

The Company will provide and maintain lockers, lunchrooms and reasonable sanitary washing facilities. Employees will be allowed appropriate paid wash up time before meal breaks and at the end of the shift.

ARTICLE 21 - HEALTH AND WELFARE PLAN

21.01

The Company shall provide and maintain the following coverage for their Employees subject to the terms of the insurance contract between the Company and Insurance Carrier.

21.02

The Parties recognize that this coverage may contain restrictions, exceptions, qualifications and other terms affecting entitlement to benefits.

21.03

The Company will fund benefits at the following levels:

Medical coverage:

- Equivalent to Medical Services Plan of Alberta
- Extended coverage: includes paramedical, drug, travel and hospital expenses to preset maximums and restrictions

Life Insurance: Two Times Annual Earnings

Accidental Death and Dismemberment: Matches Life Coverage

Weekly Indemnity: EI maximum*

Basic Dental 100%

Dental (\$2,500 per calendar year for combined Basic and Major):

- Basic 100%
- Major (Crowns, Bridges, Dentures) 80%
- Orthodontia 50% (\$2,500 lifetime Maximum.)

Vision Care one hundred and fifty (\$150) every twenty-four (24) months

*Payable 1st day of accident and 8th day of disability due to sickness to a maximum of twenty-six (26) weeks.

21.04 Eligibility

Employees will be eligible for coverage as outlined above effective after completion of two (2) months of employment. Current Employees on recall shall become eligible on the first of the month following re-employment.

21.05 Insured Benefit Coverage On Lay-off

An Employee who is laid off will be eligible for continued Health & Welfare Benefit Coverage (i.e. basic medical, extended & dental) for sixty (60) days after the end of the month of lay-off. Coverage will continue for the period stated so long as the Employee is unemployed and not receiving income from another Company or self-employment and has paid the employee portion of the premiums for extended health and dental.

21.06 Long Term Disability

Long Term Disability will be paid by the Employee. This item is tax free when paid by the Employee.

ARTICLE 22 - RETIREMENT PLAN

22.01

The Company shall make RRSP contributions per hour payable as a premium on all hours worked into an Employee's self-directed RRSP as follows:

May 1, 2014 – four dollars and forty cents (\$4.40)

ARTICLE 23 - DURATION OF AGREEMENT

23.01

Except as otherwise specified, the Agreement shall be effective as of May 1st, 2015 and shall remain for a period ending April 30th, 2019 and from year to year thereafter, providing that either party may not less than sixty (60) days nor more than one hundred and twenty (120) days prior to the termination date hereof, give notice in writing to the other part of its intentions to terminate this Agreement or to negotiate a revision thereof.

Signed this 6th day of July 2016

SMS EQUIPMENT INC.

UNIFOR, LOCAL 707

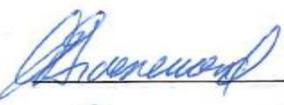


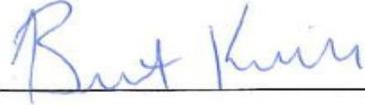
















APPENDIX A – CLASSIFICATIONS AND HOURLY RATES

May 1, 2015: Year 1

Zero Percent (0%); no change to the base rates.

May 1, 2016: Year 2

Upon ratification a signing bonus of \$1000 per employee who is actively employed as of the date of ratification. This lump sum payment can also be used for RRSP contributions.

May 1, 2017: Year 3

Increases to the base rate will be the greater of 2% or the increase to the Alberta “all items” CPI calculated over a period of January 1 to December 31 of the previous year as per Statistics Canada.

May 1, 2018: Year 4

Increases to the base rate will be the greater of 2% or the increase to the Alberta “all items” CPI calculated over a period of January 1 to December 31 of the previous year as per Statistics Canada.

APPENDIX “A’ – CLASSIFICATIONS AND HOURLY RATES

Classification	Hourly Rate Effective 1-May-15	Hourly Rate Effective 1-May-16	Hourly Rate* Effective 1-May-17	Hourly Rate* Effective 1-May-18	
	0%	Signing bonus \$1,000	Greater of 2% or CPI	Greater of 2% or CPI	
Journey Trades Person					
Auto body Technician/Painter					
Automotive Mechanic					
Boom Truck Operator					
Carpenter					
Crane Operator					
Electrician					
Heavy Duty Mechanic					
Machinist					
Millwright					
Welder	\$54.54	\$54.54	\$55.63	\$56.74	
Journey Parts Person	\$49.32	\$49.32	\$50.31	\$51.32	
Track Press Tech +2 year	\$47.27	\$47.27	\$48.27	\$49.24	
Track Press Tech 1 -2 year	\$42.44	\$42.44	\$43.29	\$44.16	
Track Press Tech <1 year	\$37.59	\$37.59	\$38.34	\$39.11	

Building Maintenance	\$43.56	\$43.56	\$44.43	\$45.32	
Painter	\$36.47	\$36.47	\$37.20	\$37.94	
Truck Driver	\$33.42	\$33.42	\$ 34.09	\$34.77	
Warehouse Person	\$32.79	\$32.79	\$33.45	\$34.12	
Tool Crib Worker	\$32.79	\$32.79	\$33.45	\$34.12	
Labourer	\$28.72	\$28.72	\$29.29	\$29.88	

* On May 1 in each of the years 2017 and 2018, the base wages will be the greater of 2% or the increase to the Alberta "all items" CPI calculated over a period of January 1 to December 31 of the previous year as per Statistics Canada.

Apprentice Scale

	Auto Mechanics, Carpenters, Machinist & Electricians	HDM (Off Road) & Welders & Partspersons & Crane
Apprentice 4	90%	
Apprentice 3	80%	90%
Apprentice 2	70%	80%
Apprentice 1	60%	70%

LETTER OF UNDERSTANDING

RE: ARTICLE 17.04, WORKING ON A STATUTORY HOLIDAY

BETWEEN

SMS EQUIPMENT INC. "THE COMPANY"

AND

UNIFOR LOCAL 707 "THE UNION"

Article 17.04 Further the Mediators Recommendations of July 6, 2016, the notation attached to 17.04 (language below) in the Memorandum of Agreement dated March 18, 2016 to become a Letter of Understanding for the term of this agreement only as follows;

"When a statutory holiday falls during an employee's regular schedule they will be scheduled to work that day unless the employee requests and is granted the day off. Employees will work their full scheduled shift."

Dated this 6th day of July, 2016.

FOR THE COMPANY:



FOR THE UNION:

