

ARTICLES OF AGREEMENT

BETWEEN

ALTEX INDUSTRIES INC.

(Hereinafter referred to as the Employer)

And The

**INTERNATIONAL BROTHERHOOD OF
BOILERMAKERS, IRON SHIP BUILDERS,
BLACKSMITH, FORGERS AND HELPERS
LOCAL LODGE 146**

(Hereinafter referred to as the Union)

Effective: November 1, 2016 – October 31, 2019

This agreement, governing wages and working conditions in the Employer's Fabrication Shop shall govern the relations between the Union and the Employer.

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ARTICLE 1 RECOGNITION, SCOPE, AND PURPOSE OF AGREEMENT

- Section 1 The Employer recognizes the Union as a sole bargaining agent for all of his production employees in the performance of all fabrication and repair work in the Employer's shop. Provided, however, that the Employer is free to conduct research or development of new products or to install and test new equipment. Provided, however, that bargaining unit employees are trained and operate this new equipment.
- Section 2 The Union agrees to cooperate with and assist in every legitimate way the Employer to conduct a successful business, bearing in mind that both parties must give service to the public.
- Section 3 This agreement shall cover all hourly paid employees as listed under Article 9 - "WAGES".
- Section 4 All references to days or hours as time periods are to be considered as working days or working hours unless a contrary intention is expressed.

ARTICLE 2 MANAGEMENT

- Section 1 It is the Employer's right to operate and manage its business, in all respects, in accordance with its responsibilities and commitments. The location of jobs, the choice of equipment, the schedules or manufacture, the methods and means of manufacture are solely and exclusively the responsibility of the Employer.
- Section 2 The Employer has the right to make and alter, from time to time, rules and regulations to be observed by the employees, provided that they are not inconsistent with this agreement.
- Section 3 It is an exclusive function of the Employer to interview, hire, promote, demote, transfer, suspend, discipline, or discharge for cause employees in the bargaining unit subject to provisions of this agreement. It is agreed by the parties to this agreement that discipline should be corrective rather than punitive and shall be consistent with the concept of progressive discipline.
- Section 4 A bulletin board, for the benefit of the shop employees, shall be provided in the lunch room. A listing of shop floor supervisory personnel shall be periodically posted on this bulletin board.
- Section 5 Nothing in this Article shall be interpreted to prejudice other unspecified traditional rights of management.

Section 6 The Employer shall have the right to name hire six (6) employees on an annual basis. In no case shall this number be exceeded unless mutually agreed to by the employer and the union.

ARTICLE 3 RESPONSIBILITIES OF EMPLOYEES

Section 1 The employee must accept reasonable responsibility for the tools furnished by the Employer and must report the loss of any of these tools immediately to his supervisor. The Employer may require an employee to replace lost, stolen, or damaged tools.

Section 2 An employee found deliberately misusing company equipment or property, may be subject to discipline which may include dismissal.

Responsibility for normal wear and tear of tools supplied by the Employer is accepted by the Employer on return of broken or worn tools. Adequate protection is to be provided by the Employer for all tools and equipment.

Section 3 Employees shall adhere to all company policies, procedures, duties, conditions responsibilities, and terms of employment posted or published, from time to time, as may be the case by the Employer, providing they are not inconsistent with this collective agreement. Disciplinary action may take place for just cause. The employee shall have the right to have a shop steward present at the meeting (except in situations where a shop steward is not available on the shift.) The shop steward will be provided with a copy of all written notices.

ARTICLE 4 UNION SECURITY

Section 1 The Employer agrees to employ only members in good standing with the Union, who will at all times assist the Employer to secure competent shop boilermakers and helpers. Should the Union find it impossible to secure the necessary boilermakers and helpers within twenty-four (24) hours, the Employer may hire such boilermakers and helpers as are available, with the understanding that the new employee will apply to become a member of the Union upon the completion of ninety (90) days of employment. The Employer will assist in assuring that the new employee will become a member of the Union. The Employer shall deduct, in accordance with the Labour Relations Code, the amount of dues or levies as may be authorized by the employee. Such dues shall be deducted from the first pay period of each month and forwarded to the Secretary-Treasurer of Local 146 before the fifteenth (15th) day of the month.

Section 2 All new employees must report to the Union office and sign an Application for Membership and Checkoff Dues before going to work.

Section 3 When any shop employees are required to work on any boilermaker, field, or maintenance work, they shall be paid their wages and conditions according to the Boilermakers' Construction or Maintenance Agreement in effect at that time.

Section 4 Should an employee solicit work in field construction or maintenance, the employee shall lose seniority rights after sixty (60) days of continuous field work.

If the Employer solicits the employee to go to the field on new construction or maintenance, his seniority shall continue in the shop.

Section 5 Unless otherwise previously agreed with the immediate supervisor, it is the duty of every employee to be available for the full duration of every regularly scheduled shift. An employee who will not be at work due to illness or other reason, must notify their supervisor prior to the start of the shift. Any employee that cannot complete their shift, must notify their supervisor. The Employer may request an employee to provide a doctor's report on his illness if the employee has missed three (3) or more consecutive working days. In such cases where a doctor's note is required, the Employer will reimburse the employee for the cost. When an employee exhibits continued absenteeism, lack of performance, or minor infractions of the Employer's rules or regulations, the following steps shall be taken by the plant manager or direct foreman.

Step 1 – A verbal warning for a first infraction may be issued to the employee in question.

Step 2 - A written warning for a second infraction may be issued to the employee in question.

Step 3 – A third infraction may be cause for a two (2) day suspension.

Step 4 – A fourth infraction may be cause for dismissal.

Any employee being discharged will only be paid up to the time of discharge. Under no circumstances shall this section override management's authority to dismiss or discipline any employee at any time in the case of just cause.

ARTICLE 5 HOURS OF WORK

Section 1 Eight (8) hours per day shall constitute a regular day's work. Forty (40) hours per week, Monday through Friday inclusive, shall constitute a regular week's work.

- OR -

The majority of the bargaining unit employees of this bargaining unit, or the bargaining agent and the Employer may establish a compressed work week in which case ten (10) hours per day shall constitute a regular day's work. Forty (40) hours per week shall constitute a regular week's work, Monday to Thursday inclusive or Tuesday to Friday inclusive.

- OR -

For the term of this collective agreement, the Employer may implement and utilize the following shift:

A three (3) day, twelve (12) hour shift operating Friday through Sunday. Employees who work the thirty-six (36) regular hours of this shift will be entitled to forty (40) hours pay. If time is missed, employees will be paid based on hours worked unless permission to be absent has been granted by management. In the event that permission is granted for absences, the four hour shift premium will be prorated according to actual hours worked. For example, if an employee misses two (2) hours work, then they will have worked 34 hours for the three day shift. The total payable to the employee for 34 hours worked would therefore be $(34/36)*40=37.77$ hours. If an employee misses an entire day due to a holiday (or approved absence/holiday), the same prorating applies (ie: 24 hours worked = $(24/36)*40=26.67$ hours paid).

A one dollar and seventy-five cent (\$1.75) per hour shift premium will be added to all hours worked on the afternoon and weekend shifts.

The foregoing shall not be interpreted as a guarantee to provide work to any Employee for regularly assigned hours or any other hours.

- Section 2 The normal hours of work shall be between 7:00 a.m. and 3:30 p.m.
- Section 3 The majority of the bargaining unit employees of this bargaining unit or the bargaining agent, and the Employer may change the foregoing starting time by one (1) hour either way. The Union and the shop steward shall be notified in writing of a change in the starting time at least twenty-four (24) hours before implementing the change. Article 7, Section 1, shall be interpreted to reflect the new starting time.
- Section 4 Employees shall be entitled to two (2), ten (10) minute coffee breaks in an eight (8) hour shift.

- OR -

Employees shall be entitled to two (2) fifteen (15) minute coffee breaks in a ten (10) hour scheduled shift.

- OR -

Employees shall be entitled to two (15) fifteen and one (1) ten (10) minute coffee breaks in a twelve (12) hour scheduled shift.

Section 5 Employees have a responsibility to the Employer to be at work on a regular basis for their full shift.

An employee shall be ready to immediately begin their duties at the commencement of the shift. It is the intent of this clause to have employees at their work stations immediately at the start of the shift.

ARTICLE 6 SHIFT WORK

Section 1 Where two (2) or three (3) shifts are working, the first shift or day shift shall be paid at the applicable rate, as set out in Article 9. The afternoon shift shall immediately follow the day shift unless otherwise agreed. The afternoon shift shall be paid for eight (8) hours work for a total shift time of 8.5 hours.

The evening or night shift shall work seven-and-a half (7.5) hours for eight (8) hours pay. The evening shift may overlap with the afternoon shift up to one-half (1/2) hour.

Section 2 Employees will be given a minimum of two (2) working days notice, exclusive of Saturday and Sunday, prior to any change in his shift except in cases of emergency or work force realignments necessary because of employee absenteeism. The Employer reserves the right of placement of personnel on various shifts. Shifts shall rotate with two (2) weeks on each shift unless the employee was hired for a specific shift.

Section 3 Employees will be paid a minimum of four (4) hours at the applicable rate if they show up and are unable to work due to circumstances beyond their control.

Section 4 The shift premium shall be paid on all hours worked. The shift premium shall not be compounded on overtime hours worked.

ARTICLE 7 OVERTIME AND GENERAL HOLIDAYS

Section 1 All hours worked before and after any shift in excess of those provided shall be termed overtime. When such unscheduled overtime is expected to exceed one hour, employees shall be entitled to a ten (10) minute rest period.

Section 2 All hours beyond forty (40) hours of work per week on eight (8) or ten (10) hour schedules or thirty-six (36) hours per week on twelve (12) hour schedules are overtime. An employee who misses time during his regular work hours due to

illness, or any other reason with the permission of management, will not be required to make up the missed time.

All overtime worked will be paid at the rate of time and one-half (1½x) including Saturdays, Sundays, and statutory holidays. Double time (2x) will be paid after twelve (12) hours.

In the case of a compressed work week, all hours beyond ten (10) hours of work per day or forty (40) hours per week are overtime.

Section 3 It is the Employer's right to schedule overtime. The Employer shall ensure fair distribution and such requests shall not be unreasonably refused by the employee. The Employer will make every effort to provide reasonable notice.

Section 4 When an employee is required to work unscheduled overtime of more than two (2) hours beyond quitting time of his regular shift, a hot meal shall be provided immediately after the conclusion of the two (2) hour time period and every four (4) hours thereafter, with twenty (20) minutes at double time to consume the meal. In lieu of the hot meal, a \$20.00 allowance may be paid. Unscheduled overtime shall be defined for the purposes of this section as being overtime for which the employee receives no notice thereof until the last regularly scheduled shift which the overtime follows.

When the employee is working scheduled overtime of more than two (2) hours, he shall be given twenty (20) minutes at double time to consume the meal at the end of the first two (2) hours of overtime.

Section 5 The period of time recognized as a holiday is the twenty-four (24) hour period beginning at the start of the regular day shift (7:00 a.m.) on the day which is recognized as the holiday.

Section 6 Where a holiday occurs during a 5 x 8 work week, the maximum of thirty-two (32) hours per week shall form the basis of maximum straight time rate or during a 4 x 10 work week, the maximum of thirty (30) hours per week shall form the basis of maximum straight time rate or during a 3 x 12 work week, the maximum of twenty-four (24) hours per week shall form the basis of maximum straight time rate.

General holidays are: New Year's Day, Family Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day, and any other general holiday proclaimed by the Federal or Provincial Governments.

Section 7 General holiday pay is to be calculated and paid each pay period at 4.5% of gross earnings.

- Section 8 No work shall be performed on Labour Day, except for the preservation of life and property.
- Section 9 The day before Christmas Day and the day before New Year's Day, shall be a day off without pay and may be worked by mutual consent.
- Section 10 When a holiday falls on a Saturday, Sunday or recognized day off, the holiday shall be observed on either the workday prior to the holiday or the first workday following the holiday. The company reserves the right to schedule a shift on the observed date of the holiday, understanding that requirement to work the shift is voluntary. Note – if an employee works the shift that is scheduled on the observed date of the holiday, all hours worked will be paid at the rate of time and one-half (1½x). Additionally, in the case of the weekend shift, the hours worked will contribute to the prorating of the employees pay (namely the 4 hour shift premium prorating).

ARTICLE 8 VACATIONS

Section 1 Vacation pay is to be calculated and paid each pay period as per the following schedule:

Length of Continuous Employment	% of Regular Pay	Vacation Time
0 - 12 months	4%	10 regular work days
13 - 60 months	6%	15 regular work days
61 - 120 months	8%	15 regular work days
120 - longer	10%	20 regular work days

Section 2 As far as possible, employees shall be granted their choice of vacation periods according to their seniority, but the right to allocate vacation periods is reserved by the Employer in order to insure efficient and continuous operations of the plant. Unless mutually agreed, an employee will not take more than fifteen (15) working days of vacation time consecutively.

Section 3 It shall be mandatory for the employees to take vacations after one (1) full year of continuous employment.

Section 4 In the event that the Employer wishes to close or partially close the plant for a period of time, the Employer will post a notice giving the dates sixty (60) calendar days prior to the commencement of such closure.

ARTICLE 9 WAGES

Section 1 Wages as set out in the Addenda shall remain in effect from ratification.

The wage classifications as shown in the Addenda are identical to the seniority classifications referenced in other sections of this agreement.

ARTICLE 10 BEREAVEMENT LEAVE

- Section 1 Three (3) days off with pay for the death of a member of the immediate family which includes: mother, father, sister, brother, daughter, son, wife, husband, grandparents, mother-in-law, father-in-law, common-law spouse, step-mother, and step-father.
- Section 2 The above shall not apply if the employee is on vacation or on a leave of absence.

ARTICLE 11 BOILERMAKERS' SHOP HEALTH AND WELFARE PLAN

- Section 1 The Employer will provide a plan with benefits which are set out in the Addenda.
- Section 2 The Employer shall provide, at no cost to the employees, medical insurance available from Alberta Health Care at the monthly rate for family or for single but shall not pay for duplication or be held responsible for arrears.
- Section 3 Employees transferring from one shop to another within the Group Benefit Plan shall serve a thirty (30) calendar day probation period.
- Section 4 The Employer will contribute on behalf of each employee to the C.E.F.A.P. program each month limited to no more than two (2) cents per hour.
- Section 5 All employees and their dependents (if any) shall be fully covered by the benefits set forth herein on the first day of the month following the completion of three (3) consecutive month's employment with the Employer.

ARTICLE 12 PENSION/RETIREMENT PLAN

- Section 1 The Employer shall contribute at the rate stipulated in the Addenda, for each hour worked to the Boilermakers' National Pension Fund (Canada). Employees will qualify for contributions after completion of ninety (90) calendar days of employment.
- Section 2 The current month's contributions shall be remitted by the 15th of the following month and must be accompanied by a report showing each employee's name, social insurance number, hours worked, and the amount of the contribution.

Section 3 The Boilermakers' National Pension Fund (Canada) is to be administered by a board of trustees having equal representation from a number of Employer representatives and Union representatives.

ARTICLE 13 EDUCATIONAL TRAINING FUND

Section 1 The Employer shall contribute ten (10) cents per regular hour worked by all Employees covered by this agreement. This ten (10) cent rate will continue until the total cash and investments of the fund reach fifty thousand dollars (\$50,000.00), at which time the rate will be reduced to five (5) cents. The Employer also agrees that should the total cash and investments of the fund drop below \$30,000.00, the contribution shall revert back to ten (10) cents. Quarterly reports to be provided to Employer.

Section 2 The current month's contribution shall be remitted by the twentieth (20th) day of the following month to the Edmonton Boilermakers' Shop Educational Training Trust Fund in care of Local Lodge 146 of the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forger and Helpers, 15220 – 114 Avenue, Edmonton, Alberta, T5M 2Z2.

The contributions must be accompanied by a report showing each employee's name, social insurance number, hours worked, and the amount of contribution.

Section 3 The Edmonton Shop Educational Trust Fund and Program are to be administered by the trustees of the Edmonton Shop Educational Trust Fund and Program in accordance with the signed Trust Document, and if there is any conflict between the terms of the Trust Document and this article, then the terms of the Trust Document shall prevail.

ARTICLE 14 WORK CLASSIFICATIONS

Section 1 WELDERS, FITTERS, AND BURNERS

Welders, fitters, and burners shall perform work within the trade claims of the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forger and Helpers of the International Constitution, Article XI.

Section 2 APPRENTICES

(a) Apprentices shall perform work as in Article XI of the International Constitution. An apprentice will be given ample opportunity to cover all sections of his trade. The ratio of apprentices shall be one (1) to three (3) boilermakers. The same ratio to apply when layoffs occur. It is recognized that there may be situations in which the above ratio would be impractical. In order to obtain relief, the Employer must consult with the Business

Manager or Business Representative to reach a mutually acceptable solution.

- (b) The Employer agrees to pay indentured apprentices an amount which, when added to the weekly government grant, will amount to 90% of his base pay calculated at his straight-time hourly rate multiplied by forty (40) hours, while attending technical school.

Apprentices to be paid, upon completion of a pass mark, one-third (1/3) of the amount owing on the first pay period upon returning to work after attending school. The second one-third (1/3) shall be paid on the second pay period, and the final one-third (1/3) on the third pay period upon returning to work after attending school.

- (c) The Employer will pay fifty percent (50%) of an apprentice's school tuition cost in each year of apprenticeship upon successful completion with a passing mark of 85% or better.
- (d) The conditions of reimbursement shall be as follows:

The employee must have been signed with the Apprenticeship Board through Altex Industries at the time schooling was taken

Section 3 **HELPERS, PRODUCTION WORKERS, AND MATERIAL HANDLERS**

Helpers, production workers, and material handlers shall perform work such as power brush operation, power grinding, cleaning, assisting welders or fitters in the performance of work referred to in Article XI of the International Constitution, and such other work as is generally recognized as production workers', helpers', and material handlers' work.

Section 4 **BEGINNERS**

Beginner's classification shall apply to those employees that have no work experience in the industry. The Employer will determine during the first six (6) months whether beginners will enter into either the apprenticeship program or become a helper.

ARTICLE 15 SAFETY AND WORKING CONDITIONS

- Section 1 Change room, lunchroom, washroom, and locker facilities shall be provided by the Employer and kept in a sanitary condition. The committee and employees

agree to cooperate in keeping these facilities sanitary; otherwise at the discretion of management, a written warning may be issued to those employees not complying. The Employer is responsible for the destruction by fire, on the Employer's premises, of personal effects owned by the employee to a maximum of \$250.00.

Section 2 The foreman shall sign a safe slip before any employee proceeds to work on any vessel or tank which has contained explosive or hazardous material.

Section 3 If any employee meets with an accident during working hours and his physician deems it not safe for him to continue his shift, he shall be paid at his regular pay for the full shift. Employees governed by this contract shall adhere to all Employer safety policies and procedures.

Section 4 The Employer shall provide:

(a) supply coveralls on an exchange basis, or an exchange service for coveralls on a weekly basis at no cost to the employees within thirty (30) calendar days of start of employment; or

(b) a cash payment of \$85.00 on June 1, October 1, and February 1.

It is the onus of the employee to purchase appropriate wearing apparel and maintain the apparel equivalent to the maintenance that is supplied by the exchange service.

Gloves are to be supplied by the Employer as required on an exchange basis.

Section 5 When practical, spray painting shall be conducted at the best place, time and location that causes the least hazard to the employees.

Section 6 When employees are called back to work after completion of their regular shift, they shall receive a minimum of two (2) hours show-up time to be calculated at double the employee's regular rate of pay.

Section 7 The Employer, where practical, shall provide plug-ins for all regular employees. Where not practical to provide plug-ins, a boosting service will be supplied.

Section 8 Employees shall be allowed a five (5) minute personal clean-up time prior to the end of their shift.

Section 9 The Employer shall provide rules and safety equipment information to all employees.

Section 10 The Employer will provide acceptable ear protection.

ARTICLE 16 WELDING TESTS

- Section 1 A welder who has served his apprenticeship with the Employer, upon taking his initial "B" Pressure test, shall receive six (6) hours regular pay for taking his test. If the employee works for the Employer less than thirty (30) days after receiving six (6) hours regular pay for his initial "B" test, he shall have deducted from his final pay an amount equal to six (6) hours pay at his regular rate.
- Section 2 Any "B" Pressure Welder that is new to the Company shall, upon successful completion of a qualification test, be paid for the test time to a maximum of four (4) hours.

ARTICLE 17 SENIORITY

- Section 1 The principle of seniority in a classification shall govern layoffs and recalls. Consideration shall be given to retain sufficient employees in each job classification to suit the nature of the work remaining. Priority may be given to employees for recalls as per specific work area requirements and skill set. A new employee shall not be entitled to seniority until he has been employed continuously for a period of 60 calendar days, and then his seniority shall date back to the time of his hiring.
- Section 2 Employees laid off shall retain their seniority accumulated to time of layoffs, providing the layoff does not exceed one month for each year of employment after which the employee will lose all seniority rights. A laid-off employee must make arrangements with the Employer to return to work within five (5) days after receiving a notice of recall in order to preserve his seniority.
- Section 3 Separate seniority lists shall be kept for each category as per the wage listing. In the case of layoffs, each list shall be considered a separate unit. The Employer will supply seniority lists.
- Section 4 Layoffs must comply with the Employment Standards Code.
- Section 5 An employee's seniority shall be maintained for a maximum of one (1) year for his absence as a result of sickness covered by a medical certificate, or an accident recognized by the Workers' Compensation Board.
- Section 6 Management agrees that a member will not be laid off before a non-member within the classification.

ARTICLE 18 SHOP COMMITTEE

- Section 1 The importance of the Union maintaining, at all times, a shop committee consisting of qualified employees of the Employer familiar with plant conditions, is recognized.
- Section 2 The selection of the shop committee is recognized as a function of the Union. The committee shall consist of not less than one (1) nor more than three (3) employees. The chairman of this committee shall be the shop steward. Owing to the nature of his work on this committee, it is deemed important that seniority does not affect his layoff, therefore, in the event of a layoff, he shall be the second last man off the job, provided there is work available for which he is qualified; otherwise, the business manager or business representative will be notified in time to appoint a successor. The shop steward shall be given a reasonable length of time to perform his duties.
- Section 3 At least one (1) member of the shop committee shall act on the safety committee, preferably the shop steward.
- Section 4 Safety committee meetings shall be held at least once per month, or as required by the committee.

ARTICLE 19 GRIEVANCE MACHINERY

Section 1 GRIEVANCE PROCEDURE

It is the mutual desire of the parties hereto, that complaints of employees shall be adjusted as quickly as possible. Grievance shall mean any difference of dispute concerning the interpretation, application, administration, or alleged violation of the collective agreement. Any of the time limits contained herein are mandatory; however, they may be extended if mutually agreed to in writing.

Step 1:

The foreman or supervisor shall be given the opportunity to adjust a complaint. When a complaint is reduced to writing, it shall be termed a grievance and shall be advanced to Step 2.

Step 2:

The written grievance shall be submitted to the Employer representative within ten (10) working days from the incident giving rise to the complaint.

Step 3:

The Employer representative shall hear the grievance within fifteen (15) working days from the incident giving rise to the complaint. The grievance shall be presented by the business manager or his representative and the shop steward. The written decision of the Employer representative shall be submitted to the business manager and the shop steward within eighteen (18) working days from the incident giving rise to the complaint.

Step 4:

If the Employer's answer in Step 3 is unacceptable, the grievance shall then be discussed within twenty-eight (28) working days from the incident giving rise to the complaint at a meeting of the plant manager or his designated representative and the International Vice-President or his designated representative. If the matter is not resolved in Step 4, the Union may advise in writing within thirty-three (33) working days from the incident giving rise to the complaint that it wishes to submit the matter to arbitration.

Section 2 ARBITRATION

The Union and the Employer will establish a list of four (4) acceptable arbitrators. Arbitrators will be chosen shortly after ratification. The single arbitrator will be selected in rotation from the list. Any of the time limits contained herein are mandatory; however, they may be extended if mutually agreed to in writing.

Step 1:

Once the arbitrator has been named he shall convene a hearing into the grievance within forty-five (45) working days from the incident giving rise to the complaint.

Step 2:

The arbitrator shall render his decision no later than sixty (60) working days from the incident giving rise to the complaint. The decision of the arbitrator shall be final and binding on the parties.

- a) The arbitrator shall be governed by the terms of the collective agreement, and he shall not alter, amend, or change the terms of the agreement. If an employee has been dismissed or otherwise disciplined by the Employer for cause and the collective agreement contains no specific penalty for the infraction that is the subject matter of the arbitration, the arbitrator may

substitute any penalty for the dismissal or discipline that seems just and reasonable in all the circumstances.

- b) Each of the parties to this collective agreement shall bear their own expenses for arbitration. The fees and expenses of the arbitrator shall be shared equally by the parties.

ARTICLE 20 UNION LABEL

Section 1 The company agrees to accept the Union Label as per the attached Memorandum of Agreement (Addendum IV).

ARTICLE 21 DURATION OF AGREEMENT

Section 1 This agreement shall become effective November 1, 2016, and shall remain in full force and effect until October 31, 2019, and from year to year thereafter, unless either party shall, at least sixty (60) days prior to the anniversary date thereof notify the other party to this Agreement of a desire to modify or terminate this Agreement. In the event that such notice is given, the parties shall meet not later than fifteen (15) days after receipt of such notice.

If an agreement is not reached on or before the expiry date of the existing contract, then terms and conditions of this contract shall remain in effect until a new agreement is concluded or strike or lockout commences.

IN WITNESS THEREOF the parties hereto have executed this Agreement the

27 day of February, 2017.

International Brotherhood of
Boilermakers, Iron Ship Builders,
Blacksmiths, Forgers and Helpers,
Local Lodge 146

Altex Industries Inc

Dean Milton

Durwill Dennis

Blair Savoie

Stephen Hutchison

Jeff Krieger

Dave Reich

.Addendum I
ALTEX INDUSTRIES INC. - Wage Page

	Nov. 1 2016	Nov. 1 2017	Nov 1 2018
	-5%	*Wage Opener	*Wage Opener
Foreman	42.33		
Charge Hand or Asst. Foreman	41.06		
B Welder – Level 2	39.78		
B Welder – Level 1	37.78		
C-Ticketed Welder	34.73		
Layout Fitter	39.78		
Machinist	34.87		
BM/SF; Journeyman Welder/Fitter, Crane Operator and Burner	33.80		
Machinist (No Ticket)	28.99		
Production Worker 1	25.12		
Production Worker 2	23.70		
Helper 1	22.14		
Helper 2	20.28		
Labourer	17.68		
Beginner	14.86		
Apprentices Welder/Steel Fabricator			
1st year (60%)	20.28		
2nd year (75%)	25.35		
3rd year (90%)	30.42		
Apprentices Machinist			
1st year (55%)	19.18		
2nd year (65%)	22.67		
3rd year (75%)	26.15		
4th year (85%)	29.64		
Pension	\$1.75		
Shift Premium	\$1.75		

*Note: November 1, 2016, Rate decrease 5%. No retro to wage decrease applicable. Effective date will be processed as of February 26, 2017.

Addendum II
ALTEX INDUSTRIES INC. - BENEFITS PLAN

The Employer will provide booklets with all information required to inform employees of the Group Benefit Program.

The program will include the following:

Benefit	Benefit Level
Life	\$50,000
AD & D	\$50,000
Weekly Indemnity (Short Term Disability)	\$435.00/week E.I. integrated
Long Term Disability	\$1,500.00/month (CPP offsets)
Extended Health Care	Deductibles: \$25.00 Single/\$50.00 Family 100% Coverage for Drugs if the drug is a generic drug, or a brand name drug only when medically required or no generic drug is available
Vision Care	Frames: \$100.00/every 24 months Lenses: \$375.00/every 12 months
	(Employees)
	(Dependents)
	Lenses: \$140.00/every 24 months Frames: \$ 60.00/every 24 months
Dental	Deductibles: \$25.00 Single/\$50.00 Family
Basic:	100%, \$2,000.00/year maximum
Major:	
Basic and Major combined Orthodontics:	50%, \$2,000 lifetime maximum

Addendum III
ALTEX INDUSTRIES INC. - Contract Welders

Reference: Article 4 – Union Security – Section 1

This addendum is to read in conjunction with the above referenced Article and Section.

“After forty-eight (48) hours where the Union has not been able to secure the necessary number of “B” pressure welders (possessing the required qualifications) within the initial call, the Employer may hire short term contract welders to undertake the required work until such time that the Union dispatch can supply the required qualified manpower. At that time, the short term welder’s contract will be terminated. The Employer agrees that it will advise the Union at the time of the expiration of the forty-eight (48) hour limit as to the hiring of contract welders. As the contract welders will not be hired as Altex Industries Inc. employees, the Union waives the need for them to become members of the Union within fifteen days. This procedure is expected to be the exception rather than the rule, as it is anticipated that the Union will be able to supply the Employer’s manpower needs when requested to do so.”

MEMORANDUM OF AGREEMENT

BOILERMAKERS UNION LABEL

The INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON SHIP BUILDERS, BLACKSMITHS, FORGERS AND HELPERS, AFL-CIO, and CLC recognizes the undersigned EMPLOYER as a BOILERMAKER UNION LABEL EMPLOYER who has signed an approved agreement with this BROTHERHOOD under which skilled workers and members of our craft enjoy a high standard of wages, hours, fringe benefits, and other conditions of employment.

In consideration thereof, the INTERNATIONAL BROTHERHOOD now authorizes this EMPLOYER to affix the BOILERMAKER UNION LABEL to products fabricated under the terms of this agreement in his shop or plant. The EMPLOYER agrees to be bound by the following procedures for affixing the label:

- 1) The BROTHERHOOD'S UNION LABEL is the property of the BROTHERHOOD and shall only be affixed to the EMPLOYER'S product by the UNION'S duly authorized UNION LABEL STEWARD. Such steward shall be designated to the Employer in writing by the Union.

- 2) This Memorandum of Agreement shall be valid only so long as the EMPLOYER'S LABOUR AGREEMENT with this BROTHERHOOD is approved and in full force and effect.

All the foregoing was agreed to this date February 27, 2017 at Edmonton, Alberta by and between the INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON SHIP BUILDERS, BLACKSMITHS, FORGERS AND HELPERS, AFL-CIO, CLC, and Altex Industries Inc.(Company)

For the INTERNATIONAL BROTHERHOOD For the EMPLOYER

Joseph Maloney, Int'l. Vice-President
Western Canada Section

Dean Milton, Business Manager
/Secretary-Treasurer, Boilermakers
Local Lodge 146

Addendum 1

Altex Industries Inc. - Wage Page - UNION Rates

HRMS - Rates as per Union - Enter Class only

HRMS - Rate if different than Union Tabble

HRMS Rate entry is required

Recovery
of 5%

Position	Class	Nov. 1, 2017	Nov. 1, 2018
		*Wage Opener Feb 26/17 No Change	*Wage Opener Nov 18 '18 Eff Date
Foreman	F	42.33	44.56
Charge Hand or Asst. Foreman	AFM	41.06	43.22
B Welder - Level 2	BW2	39.78	41.87
B Welder - Level 1	BW1	37.78	39.87
C-Ticketed Welder	CT	34.73	36.56
Layout Fitter	LF	39.78	41.87
Machinist	MT	34.87	36.70
BM/SF; Journeyman Welder/Fitter, Crane Operator and burner	JFC	33.80	35.58
Machinist (no Ticket	MT	28.99	30.52
Production Worker 1	P1	25.12	26.44
Production Worker 2	P2	23.70	24.95
Helper 1	H1	22.14	23.30
Helper 2	H2	20.28	21.35
Labourer	LF	17.68	18.61
Beginner	B	14.86	15.64
Apprentices Welder/Boilermaker and Steel Fabricator			
1st year (60%)	AP1	20.28	21.35
2nd year (75%)	AP2	25.35	26.68
3rd year (90%)	AP3	30.42	32.02
Apprentices Machinist			
1st year (55%)	M1	19.18	20.18
2nd year (65%)	M2	22.67	23.85
3rd year (75%)	M3	26.15	27.52
4th year (85%)	M4	29.64	31.19
Pension		1.75	1.75
Shift Premium		1.75	1.75

* If no Wage increase is negotiated from November 1, 2017, Wage Opener will be moved to November 1, 2018