

**SARNIA HEAVY CONSTRUCTION ASSOCIATION
AGREEMENT**

MAY 9, 2014

APRIL 30, 2017

COLLECTIVE AGREEMENT

BETWEEN:

WILLIAM JOHNSON CONSTRUCTION LTD.
(hereinafter called "the Employer")

-and-

THE LABOURERS' INTERNATIONAL UNION OF NORTH AMERICA
LOCAL 1089
(hereinafter called "the Union")

WHEREAS the Union is entitled to represent Employees of the Employer; and

WHEREAS the Employer and the Union are bound to a current Collective Agreement governing the terms and conditions of Employment for Employees engaged in the work and classifications coming within the scope of said Agreement; and

WHEREAS the parties wish to provide for the orderly renewal of said Agreement from time to time;

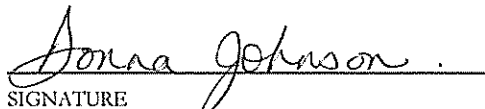
NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

The Employer and the Union hereby acknowledge and agree to recognize, observe and be bound by all of the terms, conditions, provisions (both monetary and non-monetary), appendices, schedules and memoranda set forth in and forming part of the Collective Agreement between the Union and the Contractors represented by The Sarnia Heavy Construction Association, applicable to the Sewer and Watermain and Road Building Sectors, including all renewals thereof, as if the same were made between the Union and the Employer.

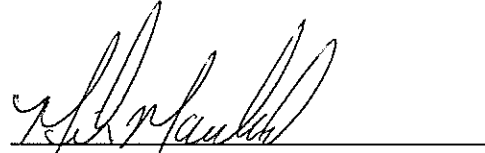
The Employer hereby acknowledges that it is in possession of and is familiar with all of the terms, conditions and provisions of the Collective Agreement.

SIGNED ON BEHALF OF
THE EMPLOYER

SIGNED ON BEHALF OF THE
LABOURERS' INTERNATIONAL
UNION OF NORTH AMERICA,
LOCAL 1089


SIGNATURE

Donna Johnson
Secretary/Treasurer
PRINT NAME & TITLE


MIKE MATTLAND
BUSINESS MANAGER
Labourers' International Union of
North America (LiUNA) Local 1089

ARTICLE 1 – DURATION OF AGREEMENT

- 1.1 This Agreement shall become effective on the 9th day of May 2014 and shall continue to remain in effect until the 30th day of April 2017 and shall continue in force from year to year thereafter unless either party shall furnish the other with notice of proposed revision of this Agreement within one hundred and twenty (120) days before the 30th day of April 2017 or in a like period in any year thereafter.

ARTICLE 2 – RECOGNITION

- 2.1 The Employer recognizes the Union as the exclusive bargaining agent for all employees of the Employer in all sectors of the construction industry in Lambton County engaged in work covered by the schedules and classifications set out in this Agreement and any additional classifications as may be agreed to by the parties, save and except non-working foremen and persons above that rank.

ARTICLE 3 – UNION SECURITY

- 3.1
- a) The Employer agrees that whenever it requires personnel to perform work covered by this Agreement, it shall first call the Local Union office for its requirements.
 - b) If the Union cannot supply qualified and competent personnel within forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays), the Employer may hire such personnel from any other source.
 - c) The Employer shall be permitted to recall former employees who are unemployed and registered at the Local Union office provided he does so within a twelve (12) month period from the day of layoff and the said employees are in good standing with the Union.

The employer shall be permitted to name hire one (1) in four (4) employees per project. The reverse order will apply on layoff.

If the employees have been recalled outside the Union office hours, the employers must notify the Union office by 10:00am the next regular business day.

- 3.2 All personnel shall be required to have a clearance card issued by the Union before they start work, unless other arrangements are made with the Union dispatcher. Such clearance card will not be reasonably withheld.
- 3.3 Employees working under this Agreement shall be members of the Union in good standing or make application to become members of the Union within seven (7) days of hiring or be replaced upon written request by the Union.

- 3.4 The Employer agrees to engage only those subcontractors, except equipment dealers, who are in contractual relations with the Union to perform work set out in the classifications of this Agreement or as otherwise agreed to by the parties.
- 3.5 a) As a condition of employment, all employees shall authorize the Employer to deduct working dues, initiation fees, and annual assessments from the employees pay. The Union shall notify the employer in writing the amounts and any changes thereto of the above mentioned deductions.
- b) All dues, fees and assessments so deducted shall be remitted together with pension and/or benefit contributions as set out in this Agreement on or before the 15th day of the month following the month in which such deductions were made. The Employer shall, when making this remittance to the Union, identify employees both by name and social insurance number and indicate the amount deducted from each employee on forms supplied by the Union.
- 3.6 At the request of either party, the Employer or the Union may ask for a pre-job meeting providing the project amount is over \$250,000.00.

ARTICLE 4 – MANAGEMENT RIGHTS

- 4.1 The Union agrees and acknowledges that the Employer has the exclusive right to manage the business and to exercise such prerogatives of management as may be specifically modified by the terms and conditions of this Agreement.

Without restricting the generality of the foregoing paragraph, it is the exclusive function of the Employer:

- a) To determine qualification, classify, transfer, hire, direct, promote, demote, lay-off, discipline and discharge employees for just cause and to increase and decrease working forces in accordance with the terms of this Agreement.
- b) To determine the materials to be used, design of the products to be handled, facilities and equipment required, scheduling of work and locations of equipment.
- c) To determine the rules and regulations to be observed by the employees, violations of which may be the cause for discipline and may include discharge.
- 4.2 The Employer recognizes that the employee and the Union have recourse through the grievance procedure if they feel that the Employer has exercised any of the foregoing rights contrary to the terms of this agreement. At the request of the employee concerned incidents of alleged discharge for cause shall be in writing.

ARTICLE 5 – GEOGRAPHIC AREA

- 5.1 This agreement shall be effective within the County of Lambton.

- 5.2 Wages and conditions as outlined in this Agreement shall be effective within Labour Board Area 2 (County of Lambton) as defined by the Labour Relations Board.
- 5.3 If an Employer works in other areas of the province of Ontario where there exists an agreement between a contractor or association of contractors and the Union the Employer agrees to abide by the wage rates and conditions of the said agreements.

ARTICLE 6 – GRIEVANCE PROCEDURE

- 6.1 There shall be an earnest effort on the part of both parties to this Agreement to settle promptly through the procedure set out herein, any complaints, grievances, or disputes arising from the interpretation, application or administration of this agreement.
- 6.2 All grievances to be dealt with under Step Two below shall be in writing on forms supplied by the Union and signed by the employee having such grievance.
- 6.3 Written grievances, to be valid, shall set out the nature of the grievance, the article or articles alleged to have been violated and the nature of the remedy sought and shall not be subject to change at later steps except by mutual agreement in writing with the Employer, or in the case of remedy, an Arbitration Board.
- 6.4 In determining the time which is allowed in the various steps of Article 6 and 7, Saturday, Sunday and Statutory Holidays shall be excluded and any time limits may be extended by mutual agreement in writing.
- 6.5 If advantage of the provisions of Article 6 and 7 hereof is not taken within the time limits specified or as extended in writing as set out above, the grievance shall be deemed to have been abandoned and may not be re-opened.
- 6.6 The Employer shall designate and name the official to whom a written grievance is submitted at Step #2.
- 6.7 a) It is understood and agreed that an employee does not have a grievance until he has discussed the matter with his foreman or other supervisory personnel acting in this capacity and given him an opportunity of dealing with the complaint. His decision shall be made known to said employee within forty-eight (48) hours. Grievances properly arising under this Agreement shall be adjusted and settled as follows:

STEP 1 Within ten (10) full working days after the circumstances giving rise to the grievance occurred or originated, the aggrieved employee and/or a Union representative, shall present the grievance in writing to the official of the Employer named by the Employer to handle grievances at this step. If a settlement satisfactory to the Union and the employee concerned is not reached within two (2) full working days, the grievance may be presented as indicated in Step Two at any time within five (5) full working days thereafter or if the grievance involves monetary, discipline or

discharge matters, not involving the interpretation of the agreement to final and binding arbitration.

STEP 2 At this step the grievance shall be referred to the Joint Labour Management Committee which shall convene a meeting within ten (10) full working days to deal with the grievance. Should no satisfactory settlement be reached within five (5) full working days after the meeting, the grievance may be submitted to arbitration.

- b) The Union may process a written grievance which involves a number of employees of an Employer or the interpretation of the Agreement. Such grievance shall be commenced at Step Two of the above procedure. The Employer may process a written grievance alleging a violation of or the interpretation of this Agreement at Step Two of the above procedure.

Such grievances shall be commenced at Step Two within ten (10) full working days after the circumstances giving rise to the grievance occurred or originated.

- c) No decision or settlement involving any grievance which has been dealt at Step One above, other than grievances which have been properly referred to final and binding determination, shall be used by any party as a precedent in future cases and shall be treated as only applicable to the grievance in question.
- 6.8 Notwithstanding the above, a grievance concerning wages and fringe benefits may be presented within thirty (30) days after the circumstances giving rise to the grievance occurred or originated and further provided that a grievance concerning welfare and pension contributions may be presented within thirty (30) days after the particulars of such grievance should have reasonably become first known to a Union representative.

ARTICLE 7 – ARBITRATION

- 7.1 The parties to this Agreement agree that any grievance which has been properly carried through all of the steps of the grievance procedure outlined in Article 6 may be referred to a Board of Arbitration or other final determination within twenty (20) working days after completion of Step Two of Article 6.7.
- 7.2 The Board of Arbitration will be composed of one person appointed by the Employer, one person appointed by the Union and a third person to act as Chairman chosen by the other two members of the Board.
- 7.3 Within five (5) working days of the request by either party for a board, each party shall notify the other in writing of the name of its appointee.
- 7.4 Should the person chosen by the Employer to act on the Board and the person chosen by the Union fail to agree on a third member as chairman within five (5) days of the notification mentioned above, the Minister of Labour of the Province of Ontario will be asked to appoint a Chairman.

- 7.5 The decisions of the Board of Arbitration or a majority of such Board constituted in the above manner shall be binding on the parties to this Agreement.
- 7.6 The Board of Arbitration shall not have the power to alter or change any of the provisions of this Agreement or to substitute any new provisions, for any existing provisions, nor to give any decisions inconsistent with the terms and provisions of this Agreement.
- 7.7 Each of the parties to this Agreement will bear the expense of the Arbitrator appointed by it and the parties will jointly bear the expense of the Chairman.

ARTICLE 8 – NO STRIKES, NO LOCKOUTS

- 8.1 In view of the grievance and arbitration procedures provided in this Agreement, it is agreed that there shall be no strike, picketing, slowdown or stoppage of work, either complete or partial, and that during the term of this Agreement there shall be no lockout.

ARTICLE 9 – UNION REPRESENTATION

- 9.1 The Business Representative of the Union shall have access to all jobs during working hours but in no case shall his visits interfere with the progress of the work, and he shall notify the company office, the job office, or the job superintendent, whichever is applicable, before visiting the job site.
- 9.2 The Employer agrees to recognize such reasonable number of stewards as may, from time to time, be appointed by the Union, but shall not be obliged to recognize such stewards until it has been informed in writing of the names of stewards as they are appointed.
- 9.3 One steward shall be one of the last two employees (covered under the terms of this agreement) to remain working, provided such steward is capable and qualified to perform the work required.

ARTICLE 10 – SAFETY, SANITATION & SHELTER

- 10.1 Adequately heated enclosures of cabs for men operating, maintaining or repairing equipment shall be provided by the Employer, where reasonably required.
- 10.2 Protective equipment required under abnormal conditions or during inclement weather will be supplied by the Employer and shall be returned after use.
- 10.3 a) The Employer agrees to supply a reasonable supply of potable drinking water with ice and cups as per the Occupational Health and Safety Act and Regulations.
- b) The Employer agrees to provide sanitary facilities, wherever practical or provide employees with transportation to such facilities.

- 10.4 Adequately heated shelter for employees to eat their lunch shall be provided by the Employer, with table and seating space, which shall be maintained in a clean and sanitary condition by the employees and the Employer unless other arrangements are made with the Union.
- 10.5 An employee who is injured in the course of performing his duties and requires medical attention by a physician and is certified by the physician that he is unable to continue to work, shall be paid his regularly assigned hours on the day of the injury; otherwise the employee shall be paid his regular wages for any lost time incurred that day due to the injury.
- 10.6 a) In the event of a fire or theft resulting in the loss of clothing or tools, the Employer will replace such items at their replacement value to a maximum of \$500.00 except as provided in (b) hereof, provided that such clothing and tools are kept in a place designated by the Employer. Such replacement is based on proof of loss by fire or theft being made to the Employer.
- b) Mechanics are to file with their Employers a listing of their tools showing their valuation and the Employer's liability shall be limited to such listing and the replacement value of such tools.

ARTICLE 11 – PAYMENT OF WAGES & LAY-OFF

- 11.1 a) Wages shall be paid on Thursday of each week during working hours, by cheque or by direct deposit, or no later than Friday of each week during working hours by cash. The Employer shall have the sole discretion to select the method of payment.
- b) Accompanying or coinciding with each payment of wages shall be a retainable statement identifying both the Employer and the Employee, showing the pay period total hours marked "regular" and "overtime", the hourly rate, the total earnings, the amount of vacation pay, the amount and purpose of each deduction and the net earnings.
- 11.2 In the case of lay off, all employees shall be paid up to date on the job site where practical; otherwise, cheques, EI record of employment certificate shall be forwarded by registered mail to his last known address, within forty-eight (48) hours of the lay off. Notification to, or attempted notification of lay off, to an employee on Saturday, Sunday or statutory holiday shall not be considered proper notice unless the employee is working on such day. If payment is made by direct deposit then payment shall be made on the next regular pay date. If EI record of employments are filed electronically, a copy of the EI record of employment shall be made available to the employee.
- 11.3 When laid off, employees shall be allowed sufficient time to clear up their personal and company property on the job site.

- 11.4 When employees who are laid off are not paid up to date on the job site and should the Employer fail to send such wages and/or file employment records as stated above, the Employer shall pay eight (8) hours pay at the regular hourly rate for each additional regular working day the employee is required to wait for his pay and records, after giving notice to the Employer and giving him four (4) hours to correct such default.
- 11.5 If an employee quits his job he shall be paid in full on the next regular pay day. If the employer files the employees Record of Employment electronically, then a copy of the Certificate shall be given to the employee if requested by the employee. The Employer must notify the Union when a member/ employee quits or is terminated for cause.
- 11.6 An employee being laid off shall be so notified at least four (4) hours before the end of his last scheduled shift or day of work. If such notice is not given, the employee shall be given two (2) hours pay in lieu of such notice.

ARTICLE 12 – JURISDICTIONAL DISPUTES

- 12.1 The Employer and the Union agree that there shall be no work stoppage resulting from jurisdictional disputes. In the case of a jurisdictional dispute, the Employer agrees to assign work in accordance with the Contractors Responsibility Section of the Procedural Rules and Regulations of the Building and Construction Trades Department AFL-CIO.
- 12.2 All jurisdictional disputes shall be settled and adjusted according to the present plan established by the Building and Construction Trades Department AFL-CIO or any method or procedure which may be adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final and binding and conclusive on the Employer and the Union.
- 12.3 The parties hereto agree to the establishment of a Joint Labour Management Committee composed of representatives of the Employer and representatives of the Union.

The purpose of this committee will be for the effective administration of the Collective Agreement and to provide a means of communication for the resolution of any or all disputes that may arise through the application of the Agreement. Meetings will be held on an annual basis or as deemed necessary in the interests of both parties.

ARTICLE 13 – STATUTORY HOLIDAYS & VACATION PAY

13.1 All work performed on the following holidays shall be paid for at double the regular rate of wages:

New Year’s Day	Civic Holiday
Family Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Christmas Day
Canada Day	Boxing Day

NOTE: If the government of the province of Ontario amends “holiday” to include Heritage Day, such holiday shall be a holiday herein.

Should any of the above holidays occur on a Saturday or Sunday such holiday shall be observed on the Monday and/or Tuesday following, unless changed by mutual agreement between the Employer and the Union.

No work shall be performed on Labour Day, except to save life, limb or property.

- 13.2 It is understood and agreed that the employee’s vacation period shall be mutually agreed upon by the Employer and the employee.
- 13.3 The Employer agrees that when the Union informs them of any changes in the payout of vacation or statutory holiday pay they will immediately conform to these changes.

ARTICLE 14 – HOURS OF WORK

- 14.1
 - a) Municipal Work
 - b) Bridges and Structures
 - c) Sewers and Watermains in Lambton County
 - d) Roadwork tendered by Moore Township, the City of Sarnia and the Village of Point Edward
 - e) Heavy Engineering

For the above type of work fifty (50) hours per week, Monday through Friday, shall constitute a regular work week. The said regularly assigned hours to be between the hours of 7:00am and 7:00pm with one-half (½) hour lunch period without pay. If an employee is required to work without a lunch period, he will be paid an additional ½ hour pay at double (2x) their regular pay. The starting and quitting times may be changed by mutual agreement between the Employer and the Union.

- f) MTO, County and Township roadwork, excluding roadwork tendered by Moore Township, the City of Sarnia and the Village of Point Edward.

For the above type of work fifty-five (55) hours per week shall constitute a regular work week. Such hours may be worked between 7:00am and 7:00pm Monday through Friday. The starting and quitting times may be changed by mutual agreement between the Employer and the Union.

- g) Residential work at 80% of the rate, 100% of the benefits. This section does not cover any work normally performed by other agreements with Local 1089 and the Contractor, and does not include the (building).

ARTICLE 15 – OVERTIME

- 15.1 The Employer may require employees to perform work in excess of their regular assigned hours and employees will be given as much notice as possible.
- 15.2 All time worked by an employee before 7:00am and after 7:00pm, Monday through Friday, and all hours worked in excess of those set out in Article 14.1 above, and all time worked on Saturday shall be at the rate of time and one half (1½). All time worked on Sundays and Statutory holidays shall be at the rate of double time (2x).
- 15.3 If, during the work week as described in Article 14.1 of this Agreement, eight (8) or more hours are lost due to inclement weather, one (1) eight (8) hour shift may be made up on Saturday at straight time rates of pay.

ARTICLE 16 – SHIFT WORK

- 16.1 The Employer agrees not to establish a second shift which reduces the hours of the first shift as established in Article 14.1 – Hours of Work.
- 16.2 When shift work outside the hours as laid down in Article 14.1 is worked, a premium of \$1.50 per hour will be paid for the second shift, \$1.75 per hour for the third shift.
- 16.3 When a first shift is not established but an irregular start time is necessary, a premium of \$1.25 per hour will be paid.
- 16.4 All hours worked between 12:00 midnight Friday and 12:00 midnight Sunday, shall be paid as outlined in Article 15 – Overtime.

ARTICLE 17 – MEALS & REFRESHMENT BREAKS

- 17.1 Employees who are required to work more than two (2) hours after their regular shift shall be provided with a hot meal.
- 17.2 All employees shall have two (2) fifteen (15) minute break periods, one in the first half and one in the second half of each shift. When overtime is worked, break periods shall be scheduled for approximately the middle of each four (4) hour work period. The employees shall have a half hour lunch break at twelve (12) in the afternoon. This break may be moved a half hour either way at the employer's request. If the employees are required to work through their lunch, they shall be paid a half hour at double (2X) their regular pay.

ARTICLE 18 – INCLEMENT WEATHER & REPORTING TIME

- 18.1 An employee who reports for work on any day shall receive a minimum of four (4) hours pay and shall remain at any work covered under the terms of this Agreement, unless directed by the Employer the previous day, not to report.
- 18.2 An employee who reports for work and is unable to perform his work due to inclement weather shall receive one (1) hours pay plus all travel time and/or living allowance payable for that day for reporting, providing he remains at the job site unless directed otherwise by the Employer.

ARTICLE 19 – RECALL & PREMIUM TIME CALL OUT

- 19.1 When an employee is recalled to work after completion of his normal day's work, Monday through Friday inclusive, he shall be paid a minimum of four (4) hours pay at the applicable rate.
- 19.2 When an employee is required to report to work on a Saturday, Sunday or statutory holiday he shall be paid a minimum of four (4) hours at the applicable premium rate. In the event an employee is recalled to work on a Saturday, Sunday or statutory holiday he shall be paid a minimum of a further four (4) hours at the applicable premium rate.

ARTICLE 20 – TRAVEL TIME & LIVING ALLOWANCE

- 20.1 **FREE ZONE**
All of Lambton County shall be a free zone.
- 20.2 When the employees are required to work in an area falling outside one hundred and twenty - five kilometers (125km) of Sarnia City Hall, he shall be paid a living allowance of one hundred and twenty-five dollars (\$125.00) per day worked, effective May 9, 2015 - one hundred and thirty dollars (\$130.00) per day worked, effective May 9, 2016 - one hundred and thirty - five dollars (\$135.00) per day worked. If the job falls outside three hundred and fifty kilometers (350 km) from Sarnia City Hall, the living allowance will be paid on a seven (7) day a week basis.

ARTICLE 21 – WORK IN COMPRESSED AIR

- 21.1 **GENERAL**
a) Work in compressed air will be conducted in accordance with applicable governmental laws and regulations.
- 21.2 **PROVISIONS FOR WORKING IN COMPRESSED AIR**
a) The following sliding scale of premium payments shall apply to workers in compressed air. These payments are non-cumulative and are considered a bonus (not to be included in calculating overtime pay or add-ons for fringe benefits).

AIR PRESSURE	PREMIUM PER HOUR
1-14 lbs	\$1.00
15-20 lbs	\$1.50
21 lbs	\$2.00

For the air pressure over twenty-one (21) pounds the Employer agrees to pay \$0.25 per pound compressed air premium for each pound over twenty-one (21) pounds, in addition to the twenty-one (21) pound rate.

- b) Where employees are required to work in compressed air they shall receive a minimum of eight (8) hours per day or shift.
- c) Rest periods when working under air pressure are to be paid as specified by law and no deduction will be made for a meal break falling in the rest period between the two (2) working periods.
- d) Where employees are required to have their lunch break underground in compressed air the Employer agrees that a proper sanitary lunchroom facility shall be provided, heated when necessary and separate from the work area. Potable water shall be provided at all times. Sanitary toilets shall be provided and shall not be located in or near the lunchroom area.
- e) **HOT BEVERAGES**
 - i) The Employer shall, at their own expense, supply sugar and hot beverages for employees working in compressed air during the rest periods;
 - ii) Containers and cups for the beverage required as outlined above shall be maintained in a clean and sanitary condition and kept stored in closed containers.

ARTICLE 22 – GENERAL

22.1 An employee will be granted a leave of absence for vital personal reasons or to attend a Union convention or jury duty. A leave of absence will be granted to regular employees for a period of up to one (1) year to serve in a full time position with the Union. Such requests shall be in writing.

ARTICLE 23 – SCHEDULE

23.1 Attached to and forming part of this Agreement is Schedule “A” outlining wage rates, classifications, vacation pay and trade conditions, fringe benefits.

IN WITNESS HEREOF we the undersigned parties hereby attach our hands and seals to this Agreement on this

3 day of April, 2014.

FOR THE COMPANY

Donna Johnson.
SIGNATURE

Donna Johnson
Secretary/Treasurer
PRINT NAME & TITLE

FOR THE UNION

Mike Maitland

MIKE MAITLAND
BUSINESS MANAGER
Labourers' International Union of
North America (LIUNA) Local 1089

SCHEDULE "A"

CLASSIFICATIONS, WAGE RATES, GROUP RETIREMENT SAVINGS PLAN (GRSP), VACATION PAY & STATUTORY HOLIDAY PAY AND FRINGE BENEFITS APPLICABLE TO THE MEMBERS OF THE LABOURERS' UNION LOCAL 1089.

COUNTY OF LAMBTON

PRIVILEGES

- 1.1 Nothing herein shall be so construed as to effect a reduction in wages or of existing benefits of any employee covered by this Agreement.
- 1.2
- a) The contributions shall be remitted monthly to the appropriate funds as directed on the contribution forms supplied by the Union, Local 1089, not later than the 15th of each month following the month for which such contributions were earned.
 - b) The Employer agrees to be bound by all actions taken by the trustees pursuant to the said Agreement and Declaration of Trust. It is further agreed that the Employer and the Union may together decide to make certain that all trust funds are jointly trusted by labour and management with the exception of the Training Fund before the expiration of this Agreement.
 - c) The trustees shall have the authority to have an independent certified public accountant audit the payroll and wage records of the Employer for the purpose of determining the accuracy of contributions to the appropriate fund.
 - d) If any Employer fails to make contributions to the appropriate funds within fifteen (15) days after the date required by the trustees, the Union shall have the right to take whatever steps are necessary to secure compliance with this Agreement, any other provision hereof to the contrary notwithstanding, and the Employer shall be liable for all costs for collection of penalties as may be determined by the Union.
 - e) The pension plan adopted by the trustees of said Pension Fund shall at all times conform with the requirements of the Income Tax Act so as to enable the Employer at all times to treat contributions to the Pension Fund as a deduction for income tax purposes.
- 1.3
- a) These monies shall be remitted in accordance with this collective Agreement and shall be remitted by the 15th day of the month following the month in which the hours have been earned, together with supporting information entered on a reporting form as designated by the trustees and at no time shall the contributions be paid directly to the employee.
 - b) In the event an Employer fails to remit any contributions, deductions or remittances for the Health Plan, the Pension Plan, dues, fees, GRSP,

assessments or Employer Labour Relations Fund by the 15th day of the month due, the Employer shall pay to the appropriate fund as liquidated damages and not as a penalty, an amount equal to three percent (3%) per month, compounded monthly (42-6% per annum) for any delinquent contributions, deductions or remittances fifteen (15) days in arrears calculated from the date due, provided the Employer has received five (5) days prior written notice to correct such delinquency and has not done so.

- c) With reasonable cause the trustees may request an Employer to submit to them within a stipulated period a certified audited statement of payroll contributions to these funds for a period not to exceed the period from the effective date of this Agreement until the date the audit takes place. Such statements shall reply to the questions submitted to the Employer by the trustees.
- d) If the Employer does not submit the certified audited statement as per Article 1.3c) the trustee may appoint an independent chartered accountant to enter upon the Employer's premises during the regular business hours to perform an audit of the Employer's records only with respect to the Employer's contributions or deductions to the required Employee Benefits Plan.
- e) Where the trustees appoint an auditor the cost of the audit shall be borne by the appropriate funds or plans, but the cost of the audit shall be borne by the Employer if the Employer is found to be in deliberate violation of the Agreement. In addition the trustees may assess a penalty not to exceed twenty-five thousand dollars (\$25,000.00) if the audit discloses any deliberate violation.

1.4 In the event such audit reveals that the Employer has failed to remit contributions in accordance with the provisions of this Agreement, the Employer shall, within five (5) days of receipt of written notice from the trustees, remit all outstanding contributions together with any liquidated damages required under the terms of Article 1.3b) above the completed supporting contribution report forms as required by the plan.

- 1.5 a) When an Employer fails to remit all delinquent contributions the provisions of 1.3b) shall apply and the Union, on instructions from the trustees, shall immediately institute proceedings against the delinquent Employers under Section 126 of the Labour Relations Act of Ontario. All costs of such actions shall be borne by the appropriate plan or fund unless otherwise recoverable.
- b) Where the parties agree to a settlement of a delinquency and such settlement is violated by the Employer, the violation may be used by the Union as evidence [subject to Article 1.5c)] at the Ontario Labour Relations Board; and Article 1.3b) shall apply.
- c) In the event that a grievance alleging that an Employer has failed to remit the proper contributions, deductions or remittances to any trust fund or party as required by this Agreement, the parties agree that for the purposes of determining any issue, the following presumption shall apply:

A statement signed by a member of the Union, a business representative, a trustee or the administrator of a trust fund shall be *prima facie* evidence of the number of hours worked by members of the Union, and of a failure to make the appropriate payments as required by this Agreement. This evidence shall establish only a rebuttable presumption and may be challenged by the Employer with proper documentary evidence.

- d) If the Ontario Labour Relations Board or a Board of Arbitration to which a grievance alleging failure to pay wages to employees or a failure to make appropriate payments to a trust fund or an administrator as required by this Agreement is litigated and the Board determines that an Employer has violated the Agreement, then the Ontario Labour Relations Board or the Board of Arbitration shall also require the Employer to pay all reasonable costs incurred by the Union in prosecuting the grievance including but not limited to, all legal costs on a solicitor-and-client basis, travel, meal and accommodation costs of all witness(es) and business representative(s), conduct money, cost incurred in serving a summons, any expenses incurred by the Union pursuant to Section 126(4) of the Labour Relations Act or otherwise, for the Board of Arbitration.
 - e) The Union may, with cause, require an Employer to post or secure an unconditional letter of credit or other form of security acceptable to the Union to cover any delinquencies as required by this Agreement. The maximum amount of the unconditional letter of credit or other form of security shall be the amount the Employer would be expected to contribute for a four (4) month period or twenty thousand dollars (\$20,000.00), whichever is the greater amount.
 - f) The parties recognize that the payments to the various trust funds as required by this Agreement are part of a total wage package. For the purposes of directors' liability to employees under the Ontario *Business Corporations Act* and the Canada *Business Corporations Act*, the wages set out in this Agreement are the total wage packages set out in Schedule "A".
- 1.6 Where the Union has taken prior proceedings and obtained a decision against an Employer for delinquent contributions, deductions or remittances, the Union may require the said Employer to post a cash bond, certified cheque or other form of security acceptable to the Union, not to exceed twenty thousand dollars (\$20,000.00) or an amount equal to four (4) months contributions, whichever is the greater amount, to be held in trust by the trustees for a period to be determined by the trustees. In the event that the said Employer again becomes delinquent for contributions, deductions or remittances, the Union and/or trustees may apply the cash bond or certified cheque, or any portion thereof, to satisfy the delinquency and require the Employer to replenish the cash bond or certified cheque in a higher amount. In the event that the cash bond or certified cheque does not satisfy the full amount of the delinquency, the Union may take other proceedings to recover the balance.

- 1.7 If an Employer does not have any employees in his employ he shall submit a NIL report in accordance with the provisions of 1.3.
- 1.8 The trustees of the employee benefit plans referred to in the Collective Agreement shall promptly notify the Union of the failure by the Employer to pay any employee benefit contributions required to be made under this Collective Agreement and which are owed under the said plans in order that the Programs Administrator of the Employee Wage Protection Program may deem that there has been an assignment of compensation under the said program in compliance with the Regulations of the Employment Standards Amendment Act, 1991 in relation to the Employee Wage Protection Program.

CLASSIFICATIONS & WAGES

- 2.1 It is understood and agreed that the following list of classifications will form part of the jurisdiction of the Labourers' International Union of North America Local 1089, and such work is covered by this Collective Agreement:

Labourers (skilled and unskilled)

Carpenters, Form Setters (steel and wood), Catch Basins, Curb and Gutters, Sidewalks, Sewer and Appurtenances and similar Sewer, Roadway Fixtures, Heavy Engineering

The erection, dismantling and moving of all scaffolding materials

Form Builder Carpenter on structures such as bridges, retaining walls, etc.

Cement Finishers, Cement Improvers and Reinforcing Material Installers, Wire Mesh Installers

Concrete Workers, Screedmen, Puddlers, Floatmen and Grouters

Masonry Work

Concrete Pumps, Well-Point Systems and Portable Generators

Diamond Saw Cutters, all types, Coring, Caulker
Powdermen and helpers

Operators of Air Drills (portable and wagon)

Air, Electric and Gas Tool Operators

Rammax tramper or similar remote controlled equipment requiring an employee to direct such equipment

Hydrovac Excavating Machine -- when a second person is required in the operation of the hydrovac excavating machine it will be a member of the Labourers' Union

Operators of Jackhammers and all types of earthboring equipment

Operators of Concrete Mixers

Operators of Water Pumps

Pipelayers, Caulkers and Jointers on tile, all types of Sewer Pipe, all types of Watermain, Electric Conduits and all underground installations

Operators of Portable Air-Compressors

Mortarmen, Labourers for all types of Pile Driving and Asphalt Rakers and Shovellers

Gradesmen

Aggregate and Asphalt Plant Helpers

Spreader Helpers and Stubcar Unloader Helpers

Labourers required for Cleaning, Washing, Painting of the Company Equipment and Barricades, etc. used in the Company's Yard or Shop

Welding and Cutting of all types

Dinky Operators

Mucking Machine Operators

Mole Operators, Mining Machine Operators

All work connected with this Agreement which requires divers and Scott airpacks or similar devices

- 2.2 Classifications and wage rates for all work as defined in Article 14.1 – Hours of Work, of the Master Agreement.

GROUP A

- I. Carpenters
- II. Formsetters
- III. Cement Finishers
- IV. Asphalt Associated Work
- V. Pipelaying Associated Work
- VI. Scaffolders

Wage Rates for Classifications above noted "A" to "G" inclusive

DATE	RATE	8% V H. PAY	GRSP	WELFARE	PENSION	TRAINING	PACKAGE	WORK DUES	OPDC
Current	28.07	2.24	1.75	2.05	5.20	0.50	39.81	1.22	0.35
May 9, 2014	28.57	2.29	1.75	2.15	5.40	0.55	40.71	1.22	0.40
May 1, 2015	29.08	2.33	1.75	2.25	5.60	0.60	41.61	1.25	0.40
May 1, 2016	29.64	2.37	1.75	2.35	5.80	0.60	42.51	1.25	0.40

GROUP B

VII. Shop and Yard Work

VIII. Common Labourers

Wage Rates for Classifications above – "H" and "I"

DATE	RATE	8% V H. PAY	GRSP	WELFARE	PENSION	TRAINING	PACKAGE	WORK DUES	OPDC
Current	26.68	2.13	1.75	2.05	5.20	0.50	38.31	1.22	0.35
May 9, 2014	27.14	2.17	1.75	2.15	5.40	0.55	39.16	1.22	0.40
May 1, 2015	27.61	2.21	1.75	2.25	5.60	0.60	40.01	1.25	0.40
May 1, 2016	28.11	2.25	1.75	2.35	5.80	0.60	40.86	1.25	0.40

GROUP C

IX. Flagman/Watchman

DATE	RATE	8% V H. PAY	GRSP	WELFARE	PENSION	TRAINING	PACKAGE	WORK DUES	OPDC
Current	19.72	1.58	1.75	2.05	5.20	0.50	30.80	1.22	0.35
May 9, 2014	20.19	1.61	1.75	2.15	5.40	0.55	31.65	1.22	0.40
May 1, 2015	20.65	1.65	1.75	2.25	5.60	0.60	32.50	1.25	0.40
May 1, 2016	21.16	1.69	1.75	2.35	5.80	0.60	33.35	1.25	0.40

Any employee who performs flagman duties on a temporary basis shall not suffer a wage deduction.

2.3 CLASSIFICATION & WAGE RATES FOR TUNNEL WORK

a) Underground Labourers

DATE	RATE	8% V H. PAY	GRSP	WELFARE	PENSION	TRAINING	PACKAGE	WORK DUES	OPDC
Current	28.33	2.26	1.75	2.05	5.20	0.50	40.09	1.22	0.35
May 9, 2014	28.79	2.30	1.75	2.15	5.40	0.55	40.94	1.22	0.40
May 1, 2015	29.25	2.34	1.75	2.25	5.60	0.60	41.79	1.25	0.40
May 1, 2016	29.76	2.38	1.75	2.35	5.80	0.60	42.64	1.25	0.40

b) Muckers

DATE	RATE	8% V H. PAY	GRSP	WELFARE	PENSION	TRAINING	PACKAGE	WORK DUES	OPDC
Current	28.46	2.28	1.75	2.05	5.20	0.50	40.24	1.22	0.35
May 9, 2014	28.93	2.31	1.75	2.15	5.40	0.55	41.09	1.22	0.40
May 1, 2015	29.39	2.35	1.75	2.25	5.60	0.60	41.94	1.25	0.40
May 1, 2016	29.90	2.39	1.75	2.35	5.80	0.60	42.79	1.25	0.40

c) Miners

DATE	RATE	8% V H. PAY	GRSP	WELFARE	PENSION	TRAINING	PACKAGE	WORK DUES	OPDC
Current	28.84	2.31	1.75	2.05	5.20	0.50	40.65	1.22	0.35
May 9, 2014	29.31	2.34	1.75	2.15	5.40	0.55	41.50	1.22	0.40
May 1, 2015	29.77	2.38	1.75	2.25	5.60	0.60	42.35	1.25	0.40
May 1, 2016	30.28	2.42	1.75	2.35	5.80	0.60	43.20	1.25	0.40

d) Apprentices – 1st year

DATE	RATE	8% V H. PAY	GRSP	WELFARE	PENSION	TRAINING	PACKAGE	WORK DUES	OPDC
Current	16.89	1.35	0.50	2.05	2.30	0.50	23.59	1.22	0.35
May 9, 2014	17.35	1.39	0.50	2.15	2.50	0.55	24.44	1.22	0.40
May 1, 2015	17.82	1.42	0.50	2.25	2.70	0.60	25.29	1.25	0.40
May 1, 2016	18.32	1.47	0.50	2.35	2.90	0.60	26.14	1.25	0.40

Apprentices – 2nd year

DATE	RATE	8% V H. PAY	GRSP	WELFARE	PENSION	TRAINING	PACKAGE	WORK DUES	OPDC
Current	22.14	1.77	0.60	2.05	2.42	0.50	29.48	1.22	0.35
May 9, 2014	22.60	1.81	0.60	2.15	2.62	0.55	30.33	1.22	0.40
May 1, 2015	23.07	1.84	0.60	2.25	2.82	0.60	31.18	1.25	0.40
May 1, 2016	23.57	1.89	0.60	2.35	3.02	0.60	32.03	1.25	0.40

1st year Apprentice – up to 1200 hours earned – rate calculated at 60% of total package of Group “A”

2nd year Apprentice – 1200-2400 hours earned – rate calculated at 75% of total package of Group “A”

The Union shall ensure that these apprentices complete a Safety and Basic Training Course at the Local Union's Training Centre when courses become available.

As these apprentices become available, the Employer will be permitted to hire one apprentice for every four (4) labourers hired. The reverse order will apply on lay-off.

Recall provisions shall not apply to apprentices.

- 2.4 Work in all other sectors of the construction industry, for which terms and conditions of employment and wage rates are not provided in this schedule, shall be performed in accordance with the Provincial Collective Agreement, between the Employer Bargaining Agency – Labourers' and Labourers' International Union of North America and Labourers' International Union of North America Ontario Provincial District Council ("The Provincial Collective Agreement") in effect from time to time.
- 2.5 Notwithstanding Article 2.4, after completion of the construction of the entire project in accordance with the Provincial Collective Agreement, any subsequent road, parking lot, sewer and watermain work need not be performed in accordance with the Provincial Collective Agreement, but may be performed pursuant to the applicable provisions of this schedule.
- 2.6 When an employee performs work of a classification with a higher rate of pay he shall be paid the higher rate for the whole day.

LEASED OR HIRED EQUIPMENT

- 3.1 Employees regular hours of work shall not be reduced nor shall they be laid off through the company's use of leased or hired equipment, providing the company has appropriate and useable equipment and further provided the company's equipment is of the capacity that makes for an economical and efficient operation.

FOREMEN

- 4.1 Labour Foremen shall be paid no less than two dollars (\$2.00) per hour above the rate for classification of men they are supervising.
- 4.2 General Labour Foremen shall be paid no less than three dollars (\$3.00) per hour above the rate for classification of men they are supervising.
- 4.3 Labour Foremen shall receive their orders from the General Labour Foremen only and shall give orders directly to the Labourers under his supervision. Under no circumstances shall the Labour Foremen work at the trade where he has supervision over more than seven (7) men, nor shall he have supervision over more than fifteen (15) men.

VACATION PAY & STATUTORY HOLIDAY PAY

- 5.1 Vacation pay at the rate of four percent (4%) and statutory holiday pay at the rate of four percent (4%) shall be paid weekly on the employee's cheque.
- 5.2 It is agreed that the vacation pay and/or statutory holiday pay is subject to change as per Union proposal if and when requested by the Union in writing as per the Articles and/or privileges contained in Schedule "A" as per this Agreement.
- 5.3 It is understood and agreed that the employees vacation period shall be mutually agreed upon the company and the employee.

PROTECTIVE CLOTHING

- 6.1 The employer shall provide employees with such protective and wet weather clothing, including rain suits, rubber boots, face shields, hearing protection and shock absorbing gloves when using chipping or jack hammers.

WELFARE, PENSION, TRAINING, GRSP (GROUP RETIREMENT SAVINGS PLAN)

7.1 WELFARE & DENTAL

The Employer shall pay to the welfare and dental fund the sum of two dollars and fifteen cents (\$2.15) per hour earned plus RST. Effective May 1, 2015 the sum of two dollars and twenty - five cents (\$2.25) per hour earned plus RST. Effective May 1, 2016 the sum of two dollars and thirty - five cents (\$2.35) per hour earned plus RST.

These contributions shall be sent as per instructions on contribution forms furnished by the Union Local 1089 by the fifteenth (15th) day of the month following the previous month.

7.2 PENSION

It is hereby agreed that the sum of five dollars and forty - cents (\$5.40) per hour earned shall be paid to the Pension Fund. Effective May 1, 2015 the sum of five dollars and sixty- cents (\$5.60) per hour earned and effective May 1, 2016 the sum of five dollars and eighty - cents (\$5.80) per hour earned.

These contributions shall be sent as per instructions on contribution forms furnished by the Union Local 1089 by the fifteenth (15th) day of the month following the previous month.

7.3 TRAINING FUND

It is hereby agreed that the sum of fifty cents (\$0.55) per hours earned shall be paid to the training fund. Effective May 1, 2015 the sum of sixty cents (\$0.60) per hour earned and effective May 1, 2016 the sum of sixty cents (\$0.60) per hour earned.

These contributions shall be sent directly to the Union Local 1089 by the fifteenth (15th) day of the month following the previous month.

It is further agreed that the Union will solely trustee the training fund with Union trustees.

7.4 The Employer agrees that all welfare and dental, pension and training fund contributions will be made payable on separate cheques to Local 1089 for distribution to the various funds.

7.5 The parties hereto understand and agree that the amounts designated as working dues herein are not included in the net hourly rate herein and are to be remitted directly to the Union on the Employee's behalf and for each hour earned.

7.6 **GRSP**

It is hereby agreed that the sum of one dollar and seventy-five cents (\$1.75) per hour earned shall be paid to the GRSP fund.

These contributions shall be sent as per instructions on contribution forms furnished by the Union Local 1089 by the fifteenth (15th) of the month following the previous month.

7.7 **LOCAL UNION WORKING DUES DEDUCTION, ONTARIO DISTRICT COUNCIL DUES DEDUCTION**

May 9, 2014	1.22 cents per hour earned
May 1, 2015	1.25 cents per hour earned
May 1, 2016	1.25 cents per hour earned

The Employer agrees to deduct one dollar and twenty two cents (\$1.22) per hour earned. Effective May 1, 2015 - one dollar and twenty five cents (\$1.25) per hour Local Union working dues. Effective May 1, 2016 - one dollar and twenty five cents (\$1.25) per hour Local Union working dues.

These contributions shall be sent as per instructions on contribution forms furnished by the Union Local 1089 by the fifteenth (15th) of the month following the previous month.

7.8 **ONTARIO DISTRICT COUNCIL**

Ontario Provincial District Council working dues consisting of forty cents (\$0.40) per hour earned (which includes the Ontario Construction Secretariat Fund) shall be deducted and remitted by the Employer directly to LIUNA Local 1089. The Pension contributions shall be remitted directly to the Labourers' Pension Fund of Central and Eastern Canada.

7.1 GENERAL

Employees required to work under air pressure shall be governed by the time limits in the Caissons Act and shall receive not less than a full eight (8) hours pay in addition to such other pressure bonus which is in effect.

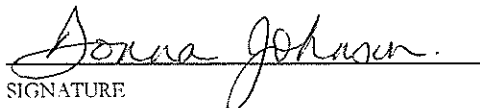
8.1 CONTRACTORS' FUND

Each Employer bound by this Agreement shall contribute four cents (\$0.04) per hour for each hour paid covered by this Agreement to the Sarnia Heavy Construction Association Contractors' Fund, established by the signatory contractors and such contributions will be included on the contributions form.

REMITTANCES WILL BE DIRECTED TO:

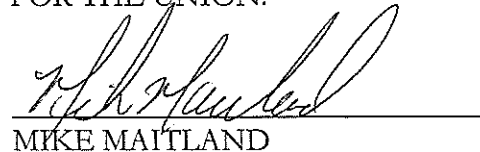
**SARNIA HEAVY CONSTRUCTION ASSOCIATION
PO BOX 502 SARNIA, ONTARIO N7T 7J4**

FOR THE COMPANY:


SIGNATURE

Donna Johnson
Secretary / Treasurer
PRINT NAME & TITLE

FOR THE UNION:


MIKE MAITLAND

BUSINESS MANAGER
Labourers' International Union of
North America (LiUNA) Local 1089