

**OPERATING ENGINEERS MAINLINE
PIPELINE AGREEMENT FOR CANADA**

AGREEMENT made this first day of May, A.D., 2003.

BY AND BETWEEN:

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

AND:

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

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

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

**ARTICLE 1
COVERAGE AND DEFINITIONS**

THIS AGREEMENT shall apply to and cover the construction, installation, treating, reconditioning, taking-up, re-bevelling, re-laying, relocating, double-jointing, or testing, and stockpiling and stringing of pipe and pipe weights, of all pipelines or any segments thereof including marine pipelines, transporting gas, oil, vapours, liquids, slurries, solids, or other transportable materials and underground and marine

cables and all work incidental thereto or an integral part thereof coming within the jurisdiction of the Union, contracted for or performed by the Employer within Canada as such work is more fully described below and illustrated in the accompanying charts. By mutual agreement this contract may be extended to cover other territory.

1.1 MAINLINE PIPELINES shall include:

1.1.1 Cross-country pipelines including portions of such pipelines within private property boundaries which are an integral part of the pipeline system.

1.1.2 Pipelines to or from storage facilities.

1.1.3 Pipelines constructed as underground cable conduits from originating plant terminals to town border stations.

1.1.4 Pipelines transporting water or slurries for the purpose of water flood and repressuring systems, irrigational, waste disposal, industrial, commercial, institutional or residential use, other than process water supply or discharge lines and water or sewage laterals, the construction of which employs the same or similar methods, equipment, or organization as used in performing the work described above.

1.2 EXCLUSIONS from the coverage of this Agreement shall be:

1.2.1 Distribution systems as defined in and covered by the Operating Engineers Distribution Systems Agreement for Canada.

1.2.2 Such pipeline installation, repair, maintenance, replacement or reconditioning more particularly and usually defined as Industrial, Commercial, Institutional or Building Construction as may not be combined with or comprising an integral part of pipeline construction.

1.2.3 Investigation and assessment work as defined in and covered by the Investigation Assessment Agreement.

1.2.4 The Employer recognizes that the work excluded above is covered by other agreements and agrees to be bound by the applicable Union agreement on any such work.

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

1.3.1 "First metering station or connection" means that point which divides mainline transmission lines or higher pressure lateral and branch lines from lower pressure distribution systems. If a metering station or connection is located on a mainline transmission line, then the mainline pipeline construction includes the construction of all pipelines up to the point at which the lower pressure distribution systems take off from higher pressure lateral and branch lines.

1.3.2 "Town border station" means that point at which deliveries to the distribution systems begin and are transformed, metered, or measured.

1.3.3 "Apprentice Operator" means any person employed as a spotter, oiler, mechanic's apprentice/trainee, equipment repair welder's apprentice/trainee, serviceman's apprentice/trainee or to operate equipment as follows:

Air compressors of under 300 CFM capacity; pumps of up to 4 inch diameter; heat induction coil on field coating; screw anchor machines.

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

Tow tractors; dope pots; water heaters; boilers; air compressors of 300 CFM capacity or greater; pumps of 4 inch diameter or larger; dope cutting machines; line travel preheaters; power boats up to 225 H.P., water taxis, swamp vehicles (when used for work other than transportation);

pipe padding styrofoam pump; rubber-tired farm tractors with any attachments; tractors with 4 wheel drive, 6 wheel drive, and 8 wheel drive (when used for work other than transportation).

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

1.3.5.1 Group I:
Trenching machines; boom tractors (except as below); backfillers; bending machines; cleaning, doping, taping, and wrapping machines; mechanical pipe coating equipment; mechanical skid buncher; bulldozers; backhoes; draglines; clams; cranes; shovels; gradalls; bead and hot pass tractors; boring machines; tractor scrapers; motor scrapers; motor patrols or graders; forklifts or zoom booms; loaders; lubrication and service units; power mounted drills; skidders with attachments; pipe or ditch padding machines; hot line excavating machines; directional drilling machines; sauerman units; feller bunchers; hydro axes; dual purpose vehicles such as A-frame trucks, ginpole trucks, winch trucks, picker trucks, boom trucks and similar equipment when used to hoist, lower or erect material or to transport suspended loads; pumps and compressors when used in hydrostatic testing, including dewatering; boilers; batch plants; power boats over 225 H.P., and water taxi or any person employed as a helicopter pilot, diver and/or hovercraft operator (when employed on the Employer's payroll to perform work coming within the jurisdiction of the Union).

1.3.5.2 Group II:
Boom tractors supporting welding enclosures, end preparation machines, transition machines, water pumps or rock drills.

- 1.3.6 "Spotter" means any person employed to assist a Principal Operator in the spotting, placing, maintenance or cleaning of equipment other than equipment listed in 20 below.
- 1.3.7 "Apprentice Engineers" shall consist of trainees on mainline pipelines who shall work under the supervision of a Principal Operator. Trainees may be employed as oilers, mechanic's helpers, serviceman's helpers or as spotters with boom tractors, bending machines, power mounted drills, bulldozers or boring machines in such manner as agreed at the Pre-job Conference. The Employer shall employ at least two (2) Apprentice Engineers, who shall be given ample opportunity to operate under the supervision of a Principal Operator whenever circumstances permit. Where the Local Union has established a joint training plan, Apprentice Engineers shall be hired in accordance with the procedures established by the joint training committee. The apprentices shall be hired in the following manner: the first Apprentice Engineer shall be hired not later than the Grade Crew and the second Apprentice Engineer shall be hired not later than the Lowering-in Crew.
- 1.3.8 "Mechanic's Helper" means any person employed to assist a mechanic in the maintenance and repair of the equipment referred to herein.
- 1.3.9 "Lubrication and Service Unit Operator" means any person employed to service the equipment referred to herein and to operate the unit provided for that purpose.
- 1.3.10 "Dope Pot Fireman" means any person employed to operate a power agitated dope pot or kettle.
- 1.3.11 "Bead or Hot Pass Tractor" means either a crawler or rubber tired tractor including swamp type vehicles used for conveyance of bead and/or hot pass generators.
- 1.3.12 "Greaser" means any person employed at a "rack" to service vehicles.

- 1.3.13 "Apprentice Mechanic" shall be employed in accordance with provincial governmental regulations or any joint labour-management apprenticeship plan acceptable to the Association. On Mainline pipeline jobs at least one Apprentice Mechanic indentured under the applicable apprenticeship and tradesmen's qualification legislation shall be employed with the first mechanic dispatched.
- 1.3.14 "Drill Doctor" means a person employed to maintain and repair drills and sharpen bits.
- 1.3.15 "Bit Grinder" means a person employed exclusively to sharpen bits by grinding.
- 1.3.16 "Power Mounted Drill" means a drilling unit where the prime mover is an integral part of the drill.
- 1.3.17 "Hot Work" means the excavating to expose or the cradling for cutting and welding of all pressurized or operating mainline pipelines containing or having contained hazardous materials so that the rupturing, cutting or welding of the pipe may result in fire, explosion or violent release of pressure, but not including such lines which have been purged with air movers, water or other acceptable methods.
- 1.3.18 "Serviceman's Helper" means any person employed to assist a Lubrication and Service Unit Operator in the servicing of the equipment referred to herein and the operation of the unit provided for that purpose.
- 1.3.19 "Oiler" means a person employed to oil, grease, clean and assist the operator of and who shall be employed on the following types of equipment on mainline pipelines: trenching machines, draglines, shovels, backhoes, clams, cranes, gradalls, auger and non-auger type backfilling machines, power dozers, sauerman units, and similar type equipment. The work of the oiler may include the hooking and unhooking of weights.

- 1.3.20 "Underwater Work" - When divers, tendermen, and deckhands are used in connection with the installation of underwater piping systems within the jurisdiction of the Union such work shall be performed by members of the International Union of Operating Engineers.
- 1.3.21 "Yardman" means a person employed in the yard to perform any of the work coming within the jurisdiction of the Union.
- 1.3.22 "Straw" means a person employed, if required by the Employer, to assist the Foreman on the ditch crew and the lower-in crew.
- 1.4 All reference in this Agreement to the masculine gender shall apply also to the feminine gender.

ARTICLE 2 SCOPE OF WORK

- 2.1 If and when the Employer, or any shareholder(s) holding a major equity or control therein, shall perform or shall cause to be performed any work covered by this Agreement under its own name or under the name of another as a person, corporation, company, partnership, enterprise, associate, combination or joint venture this Agreement shall be applicable to all such work performed under the name of the Employer or the name of any other person, corporation, company, partnership, enterprise, associate, combination or joint venture.
- 2.2 All work covered by this Agreement shall be done under and in accordance with the terms and conditions of this Agreement whether done by the Employer and/or any and all sub-contractors. The Employer will engage those subcontractors who employ only members of the Union, or who shall hire members of the Union for the performance of the subcontract. The Employer shall be responsible for enforcing the wages and conditions of this Agreement on the subcontractor(s).
- 2.3 Owner-operated and manned rented equipment shall in no way be used to circumvent the intentions and provisions

of this Agreement. When an owner-operator performs work for which he has been engaged and he works beyond three (3) working days he shall thereafter become an employee and be entitled to all of the provisions of this Agreement. All rental equipment shall be rented without operators, mechanics or servicemen, (excluding warranty service or inspection) unless the equipment owner is signatory to an agreement with the Local Union. Owner operators shall not include any mechanic, welder, serviceman, apprentice or any person who actually owns and/or provides more than one (1) machine listed within the classifications in this Agreement.

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

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

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

2.5 In connection with any job and at any time whatsoever, either prior to, during, or following completion of such job, if any individual Employer pays in excess of the wages or conditions of employment provided for in the Pipeline Agreement for Canada with any other Union in the form of extra money, extra hours, extra travel or standby time or in the form of a bonus by any subterfuge, then such individual Employer shall be required to pay in like manner additional compensation to all employees covered by this Agreement for the duration of such job. Any profit-sharing, retirement or pension plan which an individual Employer may have

established and which has not been set up for one particular job shall not be considered an excess payment or bonus. Where it is established that such excess as defined above is being or has been paid by the Employer, and the Employer has refused to make the required adjustment to all employees covered by this Agreement, the Local Union shall notify the Association seventy-two (72) hours prior to taking economic action against the Employer to enforce this provision and any economic action taken will not be considered to be a violation of this Agreement.

Notwithstanding the above, it is hereby recognized that in the case of drilling and blasting or timber felling there is an historical precedent to make incentive payments to employees based on production and it is therefore agreed that any individual Employer or Sub-contractor performing drilling or blasting operations or timber felling operations shall have the right, in his absolute discretion, to make incentive payments based on production and any such payments made shall not create an obligation on or give any right to any other individual employer to make similar payments. The manner in which such incentive payment is to be made shall be declared by the Employer or Sub-contractor at the Pre-job Conference.

It is hereby recognized that in the case of certain Principal Operators there is a precedent to make payments based on industry conditions and/or production which, due to the diversity of such payments, are not defined in this Agreement, and it is therefore agreed that any individual Employer or Sub-contractor shall have the right, in his absolute discretion, to make payments based on such conditions and any such payments made shall be deemed to be included as conditions of employment as provided for in this Agreement for that particular job and shall not create an obligation on or give any right to any other individual employer to make similar payments and shall not be construed as a breach of this Agreement.

2.6 Where, during the term of this Agreement, industry development or practice results in a requirement for classifications or special conditions within the jurisdiction of the Union not provided for herein or in the respective appendices, the Association and the Union shall, within fifteen (15) days notice of either upon the other, commence negotiations the sole and restricted purpose of which shall be

to establish such classifications and the rates applicable thereto. In the event that such negotiations do not result in agreement upon such classifications within seven (7) days of commencement of negotiations, or such longer period as may be mutually agreed between the parties, the matter shall be resolved in accordance with Article 14.7. Any hourly wage rate established shall become effective on the date upon which notice is given to commence negotiations.

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

2.8 This Agreement shall supersede all other Agreements between the parties or between any Employer and any Local of the Union for all work defined in Article 1 hereof.

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

2.10 If any provision of this Agreement is in conflict with the laws or regulations of Canada, or any province or territory in which work is to be performed, such provision shall be superseded by such law or regulation. Unless prohibited from doing so by such law or regulation, or by a ruling of any court or board of competent jurisdiction which has declared any provision of this Agreement invalid or inoperable, the Association and the Union, within fifteen (15) days notice of either upon the other, shall commence negotiations, the sole and restricted purpose of which shall be to provide adequate legal replacement of such provision. In the event that such negotiations do not result in agreement upon a legal replacement for such provision within seven (7) days of commencement of negotiations, or such longer period as may be mutually agreed between the parties, the matter shall be resolved in accordance with Article 14.7.

ARTICLE 3
RECOGNITION AND SECURITY

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

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

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

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

3.5 As a condition of employment each employee shall sign the proper authorization form which authorizes the Employer to deduct working dues, initiation fees and assessments from the employee's pay. In the event that a member in good standing of the Union is employed as a Foreman or in some other capacity not covered by the terms and conditions of this Agreement the Employer, upon receipt of the proper authorization form signed by such member, shall deduct working dues, initiation fees and assessments from the member's pay for the number of hours the Employer declared at the Pre-job Conference as the normal work week.

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

3.7 The Local Union shall select one of its Members who is an employee and who shall be recognized as Job Steward. The Job Steward shall perform his duties the same as any other employee and shall not be discharged for Union activities. The Job Steward shall be allowed a reasonable amount of time during the working hours to perform the work of the Union but shall not abuse that privilege. Where circumstances warrant, additional Job Stewards to perform the work of the Union on remote segments of a mainline pipeline job, shall be agreed upon between the Employer and the Union at the Pre-job Conference or by subsequent arrangement. Where on a loop line construction or extended projects, crews are working out of separate warehouses or marshalling points, the Union shall have the right to appoint an additional Steward for and during the continuation of operations out of each separate warehouse or marshalling point. There shall be no non-working Job Steward. The Job Steward shall be notified of any disciplinary warning given to any employee.

3.8 The Job Steward shall be one of the first hired and shall be the last employee laid off in his classification provided he is competent to perform the work to be completed. On mainline pipeline jobs, the Job Steward shall be paid for the same number of hours worked by the stockpiling, clearing, grade, ditch, stringing, wrapping, lowering-in, tie-in, or cleanup crew, over which he is acting as Job Steward, whichever is greater, provided the work of that crew is performed by the Employer. It is intended that the Job Steward shall, wherever possible at the Employer's option, actually work the number of hours for which he is paid. The Local Union shall be notified prior to the termination of any Job Steward. Upon request, the Employer shall submit to the Union or the Job Steward a record of all Operating Engineers, listing Social Insurance Number, classification, Local Union number, and date of lay-off or termination.

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

3.10 The Employer, upon receipt of written notice and reasons from the Local Union, shall discharge forthwith any employee who, as determined by the Local Union in its sole discretion that the employee/member, has not been properly cleared and/or the member is not in good standing of the Union upon suitable replacement being made available at the

jobsite by the Local Union. Any such replacement shall be entitled to the travel allowances in accordance with Article 10.7.

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

- 3.11.1 First laid off - non-members and/or applicant members;
- 3.11.2 Second laid off - members of other Local Unions, other than those hired under the provisions of Article 5.1.1 and 5.1.2;
- 3.11.3 Third laid off - members and members hired under the provisions of Article 5.1.1 and 5.1.2 (ratio to be maintained as per Article 5.1.3).

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

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

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

3.15 It is recognized that traditionally all work relating to pipeline construction, as defined in Article I hereof, comes solely within the trade jurisdiction of four (4) International Unions, commonly referred to as the "pipeline craft unions" namely: the Laborers International Union of North America; the International Union of Operating Engineers; the International Brotherhood of Teamsters; and the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada. The recognition of this historical precedent is hereby re-affirmed.

3.16 Except as otherwise provided, it is the intent and purpose of the parties hereto that all of the terms and conditions of employment for work covered by this Agreement shall be set out herein, and that neither the Union nor any representative thereof shall demand of any individual contractor any wages, hours or other terms and conditions of employment not specified herein, nor shall any individual Employer or representative thereof offer any wages, hours or other terms and conditions of employment not specified herein.

**ARTICLE 4
JOB NOTIFICATION AND ENFORCEMENT**

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

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

4.3 On work of insufficient volume to warrant a Pre-job Conference, those matters outlined in the Pre-job Conference Report may, by mutual agreement, be communicated between the Employer and the Local Union Representative

prior to the commencement of the work. The result of said communication shall be confirmed in writing by the parties.

4.4 The Union will send a copy of this Agreement to each of its Local Unions having pipeline jurisdiction and the terms of this Agreement and none other shall be recognized by each Local Union and any Employer engaged in the same or similar work as defined in Article 1 hereof.

ARTICLE 5 HIRING PROCEDURE

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

- 5.1.1 Up to ten percent (10%) of the Principal Operators excluding mechanics, required for the job from other Locals of the Union and each such Principal Operator shall be entitled to perform only the work for which he is cleared. Up to one-half (½) of those Principal Operators cleared under this provision may commence employment at the start of the Right-of-Way operations and the balance of those Principal Operators cleared under this provision may commence employment not prior to the start of the Pipe Gang operations.
- 5.1.2 Up to fifty percent (50%) of the mechanics, utility welders and lubrication and service unit operators required for the job who are members of another Local of the Union. This ratio shall be maintained on a "one-to-one" basis for the duration of the job. The first employee shall be a member of the Local Union having geographic jurisdiction for the job.
- 5.1.3 The Employer shall have the right to name request by classification up to fifty percent (50%) of the required employees who are members of the Local Union. Those employees hired under the provisions of Article 5.1.1 and 5.1.2 above shall be included in the fifty percent (50%). This ratio shall be maintained on a one-to-one basis for the duration of the job.

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

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

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

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

5.5 If the Local Union is unable to supply the required employees in accordance with Article 5.2, the Employer may obtain employees elsewhere, subject to the provisions of Article 3.3.

5.6 In the event the Local Union is unable to supply the required qualified employees, the Employer will provide every opportunity to any employee who has successfully completed a pipeline Operating Engineers training course, and is approved by a joint training committee, and the employee will be admitted to membership in the Local Union in accordance with Article 3.3. It is agreed that any employee hired under this provision shall not be terminated before the Job Steward has an opportunity to meet with the Job Superintendent and the Foreman.

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

5.8 The Employer shall have the right to re-start any interrupted job with the same crew laid off for Christmas or Spring breakup provided such shutdown extends no longer than a twenty-one (21) calendar day period or has been a subject of the Pre-job Conference, and provided the laid-off employees are available for such re-start. Any additional and/or replacement employees shall be engaged in accordance with Article 5.1.

ARTICLE 6 WORKING RULES

6.1 Subject to the terms of this Agreement, the Employer shall determine the number of employees required providing this is done in accordance with Article 1, Coverage and Definitions.

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

6.3 The operation, maintenance and repair of small machines which come under the jurisdiction of the Union such as pumps, air compressors, concrete mixers and well point systems and the maintenance and repair of welding machines and pneumatic tools shall be assigned to an employee who is a member of the Union. In accordance with Article 6.1 and 6.2 of this Agreement, there shall be no limitation upon the number of such machines placed under the operation, maintenance and repair of any employee, it being the intention of the parties that there shall be no abuse of this provision by either party.

6.4 At the discretion of the Employer, employees may be changed from one classification to another within the jurisdiction of the Union, subject to the employee being capable and qualified to perform the work, provided however, the classifications of employees referenced in Article 5.5 may not be changed without the consent of the Local Union having jurisdiction. No employee's hourly rate shall be lowered under these provisions, and if an employee is assigned to work calling for a higher rate of pay he shall receive such higher rate of pay for the full day. The Union

shall be notified in writing within five (5) working days when the Employer changes the employee's classification.

6.5 The regular pay day shall be not later than Thursday of each week, unless the Employer agrees to allow employees to draw on money earned; under such conditions, pay day may be once every two weeks. The Employer and the Local Union may agree at the Pre-job Conference that the Employer may use electronic transfer of payroll. When employees are laid off or discharged their cheques for all earnings due them at the time of lay-off or discharge must be delivered on the same date. If the payment due to the employee at time of lay-off or discharge is not delivered on the date of lay-off or discharge, the employee shall be entitled to Waiting time or Reporting time and Subsistence Allowance, or Camp Privileges, where applicable, for each day up to and including the date upon which the payment is delivered. The Employer and the Local Union may agree at the Pre-job Conference that, on jobs with less than one hundred (100) employees, if the Employer is unable to deliver the employee's payment for wages due at the time of lay-off or discharge, the employee will not be eligible for further waiting or reporting time, subsistence allowance, or camp privileges, however, this final payment must be mailed to the employee's home address within two (2) working days of the date of lay-off or discharge. If the final payment is not mailed within two (2) working days of the date of lay-off or discharge, waiting time shall apply.

6.6 Unless otherwise agree by the Employer and the Local Union at the Pre-job Conference, the Employer shall make arrangements in each locality where employees are employed to enable such employees to cash their pay cheques or, where it is impracticable to do so, will provide any employee within twenty-four (24) hours written request with a cheque in the equivalent of subsistence allowance payable. Where camps are provided in remote areas devoid of normal banking facilities, the Employer shall make every reasonable effort to provide cheque cashing facilities, it being understood that where it is impracticable to do so, suitable substitute provisions shall be agreed at the Pre-job Conference. All cheques to be negotiable at par and be accompanied by a proper statement.

6.7 Upon commencement of employment, the employee shall make an inventory in duplicate on a form provided by

the Employer of all tools including tool boxes which the employee is required to bring to the job. The employee and the Employer shall sign and retain one copy of such inventory which shall be amended to include any additional tools required to be brought to the job. The Employer shall ensure the replacement of the inventoried tools and/or tool boxes when lost by fire, flood or theft by forcible entry.

6.8 The Employer shall provide a copy of the "Approved Safety Manual for Pipeline Construction in Canada" issued by the Association to the Job Steward and, upon request, to any other employee. The Employer orientation course shall be given on the Employer's time and the employee's wages and benefits shall be paid for such time.

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

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

6.11 The Employer shall not require any employee to operate unsafe or improperly loaded equipment and an employee may refuse, for valid reasons, to operate such equipment until defects have been remedied. Roll-over protection devices and canopies for cabs will meet CSA standards as a minimum when these standards are available. No employee shall be required to work alone in seclusion.

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

6.13 A Job Safety Committee meeting shall be held within two (2) weeks after the commencement of the job and thereafter at least once each month. A copy of the Minutes shall be forwarded promptly to the Local Union by facsimile or electronic transmission.

6.14 The Employer shall provide safety hats at cost, such cost to be deducted from the employee's earnings and refunded at such time as the employee returns his hat in reasonable condition subject to normal wear and tear. Where the owner/client or the Employer requires any employee to wear fire resistant coveralls, the Employer will provide such coveralls at cost, such cost to be deducted from the employee's earnings and refunded at such time as the employee returns these coveralls in reasonable condition subject to normal wear and tear.

6.15 The Employer shall provide drinking water in approved sanitary containers and paper cups where no running tap water is available.

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

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

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

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

apprentice mechanics, welders' helpers and servicemen's helpers.

6.20 The Employer shall provide a safety hat, gloves, and special protective clothing or special safety equipment required by the Workers' Compensation Act, the Occupational Health and Safety Act or the owner's requirements, except safety footwear, at no cost to the employee provided the employee returns these items on termination.

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

6.22 The Employer shall provide water flush toilets and wash-up facilities at the yard and, where right-of-way conditions make it practicable and feasible, on the right-of-way near the main pipe gang for the employees' use. Where employees are required to work at locations away from the main pipe gang, the minimum facility will consist of chemical flush toilets.

6.23 In the event of an illegal work stoppage by employees covered by the terms and conditions of this Agreement, those employees not performing work during the work stoppage shall not receive any compensation whatsoever for days not worked.

6.24 In the event that an employee is sued in conjunction with the Employer for any action taken or omitted at the express direction of the Employer, then the Employer shall have the right to select legal counsel and shall cover all reasonable expense incurred in the preparation and filing of a statement of defence on behalf of the employee.

ARTICLE 7 WAGE RATES AND CLASSIFICATIONS

7.1 The Employer agrees to assign work in accordance with Article 1, Coverage and Definitions, and pay the applicable wage rates as contained in the Appendices attached to and forming part of this Agreement.

**ARTICLE 8
EMPLOYER CONTRIBUTIONS**

8.1 Rates at which the Employer shall contribute for each hour of work paid for with respect to each employee employed under the terms of this Agreement to jointly administered funds are contained in the Appendices attached to and forming part of this Agreement. The Employer shall provide each employee covered by this Agreement with a statement with each weekly pay cheque stating the total number of hours reported for contributions to the Pension and Health & Welfare Funds on behalf of that employee for the period covered by the pay cheque.

8.2 In the event that a member in good standing of the Union is employed as a Foreman or in some other capacity not covered by the terms and conditions of this Agreement the Employer shall make the prescribed Health & Welfare and Pension Plan contributions and deductions, as per each appendix, on his behalf based on the hours declared at the Pre-job Conference by the Employer as being the normal work week.

8.3 Contributions shall be recorded on a remittance form and remitted to the designated recipient of such contributions on or before the fifteenth (15th) day of the month following the month for which contributions are to be made. In the event that any Employer is delinquent in his contributions to the funds provided for in the Appendices to this Agreement for more than thirty (30) days, the Employer and the Association shall be notified of such delinquency. If after five (5) days from such notice such delinquency has not been paid, the Union may take any action it deems necessary in order to collect such delinquent contributions.

8.4 All such funds due and payable to the above funds, except industry promotion funds, shall be deemed and are considered to be Trust Funds. It is expressly understood that training funds and advancement funds are not wages or benefits due to an employee and industry promotion funds are deemed to be dues for services rendered by the Association.

8.5 The Board of Trustees of the respective Trust Funds shall have the authority to promulgate such agreements, plans and/or rules as may be necessary or desirable for the efficient

and successful operation and administration of the said Trust Funds, including provisions for audit, security, surety and/or penalty to the extent that such may be necessary for the protection of the beneficiaries of such Trust Funds.

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

8.7 The amounts to be designated as wages and/or Employer contributions to the above funds may be varied from time to time by agreement between the Association and the Union.

ARTICLE 9 OVERTIME AND HOLIDAY PAY

9.1 The work week shall begin Monday and shall end Sunday. All hours worked by an employee in excess of eight (8) hours per shift and in excess of forty (40) straight time hours per week shall be paid for at the rate of one and one-half times the straight time rate. All hours worked by an employee in excess of ten (10) hours per shift and all hours worked on Sunday shall be paid at the rate of double the straight time rate. Work performed on New Year's Day, Good Friday, Victoria Day, Canada Day, first Monday in August, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, and Boxing Day and any such day proclaimed a general holiday by the Federal or Provincial Governments shall be paid for at double the straight time hourly rate, provided that where one of the holidays above mentioned falls during the work week, the forty (40) straight time hours shall be reduced to thirty-two (32) for the purpose of computing overtime during that week. Employees working a shift other than the normal shift shall be paid a rate ten percent (10%) higher than the straight time rate.

9.2 If one of the holidays in Article 9.1 above falls on Sunday, it shall be observed on Monday. Work performed on Monday will be paid for at double the straight time hourly rate. If no work is performed on Monday, no pay shall be required other than waiting time if applicable. In the event that one of the above holidays falls during the work week, the

Employer and the Local Union, by mutual consent, may designate an alternate day to be substituted for such holiday in order to provide, where possible, for a long weekend during the pay period.

9.3 Vacation and statutory holiday pay shall be ten percent (10%) of total earnings of an employee, which shall be deemed to include the Employer's obligation to make similar payments covering vacation and statutory holiday pay by applicable governmental orders or regulations. Where applicable governmental orders or regulations require payment in excess of the percentage provided for herein, payment shall be made in accordance with such orders or regulations. On each pay cheque or at termination of employment, whichever first occurs, the employee will receive vacation pay in accordance with the applicable legislation and the balance of the employee's accruals will be regarded as statutory holiday pay.

9.4 The Employer shall not require any employee to work for periods that do not allow the employee eight (8) consecutive hours of rest in any period of twenty-four (24) hours. In the event an employee does not receive eight (8) consecutive hours of rest prior to the commencement of his next shift, he shall be paid at the applicable overtime rate until he receives at least eight (8) consecutive hours of rest.

ARTICLE 10 WAREHOUSE AND TRAVEL

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

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

10.3 The Employer shall select a warehouse or marshalling point where adequate lodging, dining, and laundry facilities are available in a city, town or community or at a location agreed at a Pre-job Conference. The Employer shall make suitable and prompt transportation available from the warehouse or marshalling point. Such transportation shall be

operated in compliance with the appropriate regulations of the governmental Board or appropriate regulatory body having jurisdiction and all vehicles shall be equipped with adequate seating for adults and room for their gear.

10.4 Where camps are not provided, employees who are not local residents shall receive a subsistence allowance per calendar day as follows:

May 1, 2003	\$110.00
May 1, 2004	\$112.00
May 1, 2005	\$115.00
May 1, 2006	\$120.00

10.5 A local resident is a person who has resided at or maintained a permanent residence within forty (40) kilometres by the shortest road route to the job for a period of sixty (60) days prior to the commencement of the project.

10.6.1 The employees' time shall start when they leave the warehouse or marshalling point for the jobsite and shall end when they return to the warehouse or marshalling point; however, the lunch period when taken shall be excluded.

10.6.2 On any day that a helicopter is used by the Employer to transport employees to and from their place of work on the jobsite, or from the warehouse of the Employer, each employee so transported shall receive one (1) hours pay at straight time rate for that day. This hour is in addition to his regular pay for that day. The Employer shall ensure that each employee required to travel by helicopter will be covered by a minimum of two hundred and fifty thousand dollars (\$250,000) accidental death insurance.

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

10.7.1 After fifteen (15) scheduled working days on the job, or at job completion, whichever first occurs,
May 1, 2003 - \$0.52
May 1, 2004 - \$0.53
May 1, 2005 - \$0.54
May 1, 2006 - \$0.55

per highway kilometre via the shortest route from the city where he was hired to the point of commencement of employment, plus, where the distance to the jobsite exceeds two hundred (200) kilometres, a subsistence allowance of one day in the amount specified in Article 10.4 above, to assist in defraying the cost of board and lodging incurred travelling to the jobsite. Waiting Time days and testing days shall be included in computing the fifteen (15) days.

- 10.7.2 After twenty-one (21) scheduled working days on the job if he is performing his work satisfactorily and is terminated by the Employer or is terminated through circumstances beyond the control of the Employer or himself, or at job completion, whichever is later, return travel expense at
- May 1, 2003 - \$0.52
 - May 1, 2004 - \$0.53
 - May 1, 2005 - \$0.54
 - May 1, 2006 - \$0.55

per highway kilometre via the shortest route from point of termination of employment to city of hire.

ARTICLE 11 REPORTING AND CALL BACK TIME

- 11.1 Reporting time shall be paid as follows:
- 11.1.1 Five (5) hours pay at the applicable rate for that day to any employee who performs any work of not more than four (4) hours duration and is then prevented from completing a day's work for any reason.
 - 11.1.2 On jobs set up on not more than eight (8) hours per day, eight (8) hours pay to any employee who performs work of more than four (4) hours duration and is then prevented from completing a day's work for any reason.
 - 11.1.3 On jobs set up on more than eight (8) hours per day, a maximum of ten (10) hours pay at the applicable rate to any employee who performs

more than four (4) hours work and is then prevented from completing a day's work for any reason.

11.1.4 This payment shall be made unless the employee has been notified not to report for work. Such notice shall be given prior to quitting time on the previous working day.

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

11.3 Hours paid under the provisions of 11.1 and 11.2 above shall be included in computing the forty (40) hour week after which overtime is payable.

11.4 Notwithstanding the provisions of 11.1 and 11.2 above, any employee who leaves the jobsite without specific direction from his foreman to do so shall not be entitled to pay for any hours not worked.

11.5 Notwithstanding the provisions of 11.1 and 11.2 above, when any employee refuses to work or to continue to work, or there is a work stoppage attributable to a labour dispute, no pay for hours not worked shall be required.

ARTICLE 12 WAITING TIME

All employees shall be paid a lump sum as waiting time pay based on the applicable straight time rate provided for in Article 7 as follows:

12.1 The equivalent of five (5) hours pay for any working day lost during the regularly scheduled work week.

12.2 If the Employer is working a regularly scheduled six (6) day work week, waiting time for the seventh (7th) day shall not be required except as provided for in Article 12.4 hereof.

12.3 When, on a continuous line job set up on a regular six (6) day work week, the office or warehouse is moved from one location to another on the same job, waiting time for any working day lost because of the move shall be paid as in Article 12.1 above, and the Employer may, that week, work the seventh (7th) day without affecting the six (6) day work week.

12.4 On a loop line construction job only, set up on a regularly scheduled six (6) day work week, the equivalent of eight (8) hours pay for the seventh (7th) day of any week during which the office or warehouse is moved from one location to another on the same job.

12.5 On a loop line construction job only, the equivalent of eight (8) hours pay for the first working day, and five (5) hours pay for the second and each subsequent working day lost in any week during which the office or warehouse is moved from one location to another on the same job.

12.6 An employee who is required to move further than four hundred and fifty (450) kilometres under the provisions of 12.3, 12.4, or 12.5 above shall not be required to perform any work on the day of the move.

12.7 Those employees regularly employed in utility, testing, or tie-in crews, gate or valve settings, road crossings or fabrication, maintenance and service may work the seventh (7th) day of a regularly scheduled six (6) day work week, or on holidays, without the Employer becoming liable for waiting time payments to other employees who do not work that day.

12.8 If no work is performed on a holiday designated in this Agreement, waiting time shall be paid. However, if such holiday falls on the seventh (7th) day of a regularly scheduled six (6) day week, waiting time for that day shall not be required.

12.9 In emergencies, when notification has been sent to the Local Union, the Employer may work any employee on the seventh (7th) day of a regularly scheduled six (6) day work week without incurring liability for waiting time payments on future seventh (7th) days not worked.

12.10 In the absence of an emergency as provided for in Article 12.9 above, if the Employer is working a regularly scheduled six (6) day work week and works a crew for two (2) consecutive seventh (7th) days, he will incur liability for waiting time payments on future seventh (7th) days not worked.

12.11 Notwithstanding the provisions of Article 12.1 through 12.10 above, where the Employer has provided notice of a starting time to follow a period for which waiting time is payable, any employee who, except for reasons of illness or emergency, is not available for work at the said starting time or who voluntarily terminates his employment prior to the next regularly scheduled pay day, shall forfeit any unpaid waiting time pay, PROVIDED, however, the Employer shall notify the Local Union of such forfeiture. No employee will be requested to voluntarily terminate his employment to avoid payment of waiting time.

12.12 In no event shall waiting time payments provided for hereinabove be included in computing the eight (8) hours and/or forty (40) hours of work after which over time is payable.

**ARTICLE 13
WORK STOPPAGES, SECONDARY BOYCOTTS,
AND JURISDICTIONAL DISPUTES**

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

**ARTICLE 14
GRIEVANCE PROCEDURE**

14.1 Where an allegation is made that discharge of an employee is unjust or that this Agreement has been otherwise

violated, the Job Steward or Business Manager or his representative of the Local Union shall attempt to resolve the difference on the job with the Foreman or Superintendent of the Employer during which time there shall be no stoppage of work.

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

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

14.4 Upon receipt of the matter complained of in writing, the Executive Director and the International Representative shall take such steps within forty-eight (48) hours as they deem necessary to attempt to adjust such difference of opinion or dispute. If the difference is not resolved within five (5) days of receipt of written submission, the Executive Director and the International Representative may, upon mutual agreement of the parties, refer the matter to a Pipeline Industry Grievance Panel.

14.5 Where the parties agree to refer the matter to a Pipeline Industry Grievance Panel, such Panel shall be drawn from among the regular and alternate members of the Canadian Pipeline Advisory Council or their designated substitutes. The Chairman of the Advisory Council shall appoint two (2) representatives of the participating Unions and the Chairman of the National Labour Relations Committee shall appoint two (2) representatives of the

participating Association Members to serve on the Panel, such appointment to be made within forty-eight (48) hours.

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

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

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

14.9 The decision of the Arbitrator shall be final and binding.

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

14.11 The time limitations may be extended by mutual consent of the parties but if there is no consent then the dispute shall automatically move into the next succeeding step.

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

ARTICLE 15
CANADIAN PIPELINE ADVISORY COUNCIL

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

ARTICLE 16
LIABILITY

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

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

**ARTICLE 17
EMPLOYMENT EQUITY**

17.1 The parties to this Agreement are committed to and support the implementation of Employment Equity. In jurisdictions where regulations are developed, the Employer and the Union share the obligation and responsibility to apply positive measures to ensure compliance with the required provisions.

17.2 There will be no discrimination against any employee for reasons of age, gender, race, colour or religious beliefs.

**ARTICLE 18
EFFECTIVE DATE, TERMINATION, AND RENEWAL**

18.1 This Agreement shall become effective on the First day of May, A.D. 2003.

18.2 The provisions of this Agreement shall continue in full force and effect until the 30th day of April, A.D., 2007 and thereafter from year to year unless terminated at the option of either Party after sixty (60) days notice in writing to the other Party prior to the expiry date.

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

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

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

IN WITNESS WHEREOF, we, the undersigned hereby attach our hands and seals to this Agreement concluded at the City of Mississauga in the Province of Ontario this sixth day of November, A.D., 2003.

PIPE LINE CONTRACTORS ASSOCIATION OF CANADA:

J. S. Topping,
President

B. L. Brown
Executive Director

INTERNATIONAL UNION OF OPERATING ENGINEERS:

Derm Cain
Regional Director,
Canadian Region

Matt McGinnis
Int. Representative

T. Crockett
Int.Representative

G. Kroeker, Business Mgr.
Local Union 115

D. Gossett, Business Mgr.
Local Union 955

G. Downing, Business Mgr.
Local Union 870

J. Murphy, Business Mgr.
Local Union 987

M. Gallagher, Business Mgr.
Local Union 793

D. Kilpatrick, Business Mgr.
Local Union 946

B. McKinnon, Business Mgr.
Local Union 902

K. Estabrooks, Business Mgr.
Local Union 721

M. Ezekiel, Business Mgr.
Local Union 904

SCHEDULE A

**EMPLOYERS BOUND BY THE
OPERATING ENGINEERS
PIPELINE AGREEMENTS FOR CANADA**

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

ALBERTA

By Registration:

344312 Alberta Ltd.
426809 Alberta Ltd.
664328 Alberta Ltd.
Abco Supply & Service Ltd.
Accu-Ram Services Limited
Advanced Hydro-Vac Corporation
Aecon Civil & Utilities
Alberta Mobile Air Compression Services
Alberta Oilfield Services Ltd.
All-Ways Boring Ltd.
Alta North Pipeline Concrete Products Ltd.
Amalgamated Crane Services Inc.
Antagon Pipelines Company Ltd.
Arnett & Burgess Oilfield
Badger Daylighting Inc.
Badry Enterprises Ltd.
Baldy's Heavy Equipment Repairs
Banister Majestic Inc.
Banister Pipeline Construction Company
Banister Pipelines Inc.
Beaver Pipeline Construction Limited
Bechtel Canada Limited
Berg Location Clearing Ltd.
Berg Oilfield Services Ltd.
BFC Industrial - Nicholls Radtke
BFC Pipelines
BFC Utilities
Big Eagle Contracting Inc.
Bolder Concrete Ltd.
C.S.I. Hydrostatic Testers
Calgary Tunnelling & Horizontal Auguring Ltd.
Canadian Subaqueous Pipelines Ltd.

Can-Alaska Developments Ltd.
Canapipe Construction Ltd.
Carbrook Contracting Ltd.
Carmax Truck Lines Ltd.
Cedar Mechanical Co. Ltd.
Chinook Construction & Engineering Ltd.
Cliffside Pipelayers Ltd.
Commercial Resins of Canada Ltd.
Consamar Inc.
Consbec Inc.
Continental Electric Ltd.
Coolsaet Pipeline Ltd.
Curran Construction Ltd.
Dillingham Construction Ltd.
Dillingham Corporation Canada Ltd.
Domex Pipe Line Inc.
Dresser Industries Inc. - Dresser Titan
Dwyer Engineering and Construction Limited
Eveready Industrial Services Limited
FPC Construction
Flint Construction (1970) Ltd.
Formac Pumping Services Limited
GCL Inc.
Geleman Enterprises Ltd.
Genstar Construction Limited
Global Air Drilling Services Ltd.
G.M. Gest Contractors Ltd.
H.B. Contracting Ltd.
H.C. Price of Canada Ltd.
Henuset Bros. Ltd.
Henuset Construction Ltd.
Henuset Pipeline Constr. Ltd.
Husky Hydro Vac Ltd.
Hydro-Vac Ltd.
Industrial Excavators Ltd.
Interpro Contractors Ltd.
J.L. Cox & Son, Inc.
Joyce Leonard Canada Ltd.
Junior Service & Repair Ltd.
K-R-M Construction
Kaps Entrepouse Ltd.
Kaps Transport Ltd.
Kodiak Hydro Vac Services
Kordyban Transport (1980) Ltd.
Lackie Pipestringing Ltd.
Lafarge Canada Inc.

Lafarge Construction Materials
Leonard Pipeline Contractors Ltd.
Long Branch Contractors Ltd.
Loram International Ltd.
Lorenzo Environmental Contractors Ltd.
Louisbourg Pipelines Inc.
Majestic Contractors Limited
Marine Pipeline Construction of Canada Company
McCaws Drilling & Blasting Ltd.
McDace Construction Inc.
MHG International Ltd.
Michetti Pipe Stringing
Mid-Canada Contractors Ltd.
Milbar Hydro-Test Ltd.
Mi-Pal Holdings Ltd.
Mr. Green-up (Alta) Inc.
Nap Stringing Contractors Ltd.
National Caterers Ltd.
Noceta Enterprises (1981) Ltd.
Nor-Can Construction Ltd.
Nor-Pipe Construction Limited
North American Construction Ltd.
Northern Construction Company Ltd.
Northern Crane Service
O.E. Hamlyn Drillers Limited
O.J. Pipelines Corp.
Opron Construction Co. Ltd.
Pancana Associated Contractors Ltd.
Panky's Enterprises (DV) Ltd.
Papp's Service
Pashco Blasting Ltd.
Pat McNulty Ltd.
Pe Ben Contractors
Pe Ben Industries Company Ltd.
Pe Ben Pipelines (1979) Ltd.
Pe Ben Transport
Pemrow Pipelines Construction Co. Limited
Pentzien Canada, Inc.
Permanent Concrete
Permanent Lafarge
Piggott Pipeline Ltd.
Plains Construction Ltd.
PPC Prairie Pipeline Contractors Ltd.
Prairie Pipeline Contractors Ltd.
Premay Pipeline Hauling Ltd.
River Construction Corporation Limited

R.L. Coolsaet of Canada Ltd.
Robb Const. Co. Ltd.
Robert J. Fierheller Ltd.
ROK Pipeline Inc.
Ron May Trucking and Excavating Ltd.
Rowad Pipeline Company Ltd.
RPA Contracting Ltd.
Sartori & Son Company Limited
Seggow Construction & Clearing Ltd.
Sie-Mac Heavy Haulers Ltd.
Sie-Mac Pipeline Contractors Ltd.
Robert B. Somerville (Div. of Robert McAlpine Ltd.)
Spear Construction Inc.
Spie Construction Inc.
Spillmaster Ltd.
Square M Construction Limited
Steen Pipelines
Subcor Hydrovac Inc.
Subcor Inc.
Sulcon Pipeline Weights Ltd.
Summit Pipeline Services Ltd.
Superior Pipeline Contractors Limited
Supernal Welding and Consulting Ltd.
Terroco Contracting Ltd.
Totran Transport Ltd.
Trail City (Alberta) Ltd.
True Test Pipeline Services
T.W. Johnstone Company Limited
Universal Pipe Line Enterprises Ltd.
Waschuk Pipe Line Construction Ltd.
Western Reclamation Services
Whip-Line Crane Services Ltd.
Wiley Oilfield Hauling Ltd.
Wonderly and Kershaw Petrochemical Services Ltd.

BRITISH COLUMBIA

By Accreditation:

Alberta Mobile Air Compression Services
Banister Majestic Inc.
Bartsch Pipe Welding Limited
Bolder Concrete Ltd.
Canadian Bechtel Limited
Canadian Subaqueous Pipelines Ltd.
Caird Mechanical Contractors Ltd.
Chinook Construction & Engineering Ltd.
Cliffside Pipelayers

C. Victor Koran Ltd.
Dillingham Pipeline Construction Ltd.
Dresser Titan Div. of Dresser Industries
English & Lepage Ltd.
H.C. Price of Canada Ltd.
Ideal Welders Ltd.
Interpro Contractors Ltd.
Leonard Pipeline Contractors Ltd.
Loram International Ltd.
Majestic Wiley Contractors Limited
Marine Pipeline Construction of Canada Limited
Northern Construction Company
Pashco Blasting Ltd.
Pat McNulty Limited
Pe Ben Industries Company Ltd.
Permanent Concrete
Procan Industries Ltd.
RPA Contracting Ltd.
Totran Transport Ltd.
V.R. Price Welding & Mechanical Ltd.

By Appointment:

Abco Supply & Service Ltd.
Advanced Hydro-Vac Corporation
Aecon Civil & Utilities
Alberta Oilfield Services Ltd.
Amalgamated Crane Services Inc.
Banister Pipeline Construction Company
Big Eagle Contracting Inc.
Calgary Tunnelling & Horizontal Auguring Ltd.
Consamar Inc.
Continental Electric Ltd.
Coolsaet Pipeline Ltd.
GCL Inc.
Global Air Drilling Services Ltd.
Husky Hydro Vac Ltd.
Industrial Excavators Ltd.
Kodiak Hydro Vac Services
Lafarge Canada Inc.
Louisbourg Pipelines Inc.
Marine Pipeline Construction of Canada Company
Northern Crane Service
O.J. Pipelines Canada
Pashco Blasting Ltd.
Pe Ben Industries Company Ltd.
Pentzien Canada, Inc.

Premay Pipeline Hauling Ltd.
ROK Pipeline Inc.
RPA Contracting Ltd.
Robert B. Somerville (Div. of Robert McAlpine Ltd.)
Spie Construction Inc.
Subcor Inc.
Summit Pipeline Services Ltd.
Supernal Welding and Consulting Ltd.
T.W. Johnstone Company Limited
Waschuk Pipe Line Construction Ltd.

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

By Appointment:

Abco Supply & Service Ltd.
Advanced Hydro-Vac Corporation
Aecon Civil & Utilities
Alberta Oilfield Services Ltd.
Amalgamated Crane Services Inc.
Atlantic Pipeline Resources (in Nova Scotia)
Banister Pipeline Construction Company
Consbec Inc.
Conweigh Incorporated
Coolsaet Pipelines Ltd.
GCL Inc.
Global Air Drilling Services Ltd.
Husky Hydro Vac Ltd.
Industrial Excavators Ltd.
Kodiak Hydro Vac Services
Lafarge Canada Inc.
Louisbourg Pipelines Ltd.
Marine Pipeline Construction of Canada Company
Northern Crane Service
O.J. Pipelines Canada
Pe Ben Industries Company Ltd.
Pentzien Canada, Inc.
Premay Pipeline Hauling Ltd.
RPA Contracting Ltd.
Robert B. Somerville (Div. of Robert McAlpine Ltd.)
Subcor Inc.
Summit Pipeline Services Ltd.
Supernal Welding and Consulting Ltd.
True Test Pipeline Services

T.W. Johnstone Company Limited
Universal Pipe Line Enterprises Ltd.
Waschuk Pipe Line Construction Ltd.

ONTARIO

By Accreditation:

Abco Supply & Service Ltd.
Advanced Hydro-Vac Corporation
Aecon Civil & Utilities
Alberta Mobile Air Compression Services
Alberta Oilfield Services Ltd.
Amalgamated Crane Services Inc.
Antagon Pipelines Company Ltd.
Banister Majestic Inc.
Banister Pipeline Construction Company
Banister Pipelines Inc.
Bechtel Canada Limited
Beaver Pipeline Construction Limited
BFC Industrial - Nicholls Radtke
BFC Pipelines
BFC Utilities
Big Eagle Contracting Inc.
Bolder Concrete Ltd.
Canadian Subaqueous Pipelines Ltd.
Catre Pipeline
Cliffside Pipelayers Ltd.
Cliffside Utility Contractors
Consamar Inc.
Consbec Inc.
Continental Electric Ltd.
Conweigh Incorporated
Coolsaet Pipelines Ltd.
C.S.I. Hydrostatic Testers
Curran Construction Ltd.
Custom Concrete (Northern) Ltd.
Dillingham Pipeline Contractors Ltd.
D. W. Sartori Contracting Ltd.
Formac Pumping Services Limited
GCL Inc.
General Pipeline Contractors Limited
Global Air Drilling Services Ltd.
G.M. Gest Inc.
H.B. Contracting Ltd.
H.C. Price of Canada Ltd.
Huron Pipelines Limited

Husky Hydro Vac Ltd.
Industrial Excavators Ltd.
Inter-Provincial Construction Limited
Insta-Con Company Ltd.
J.L. Cox & Son, Inc.
John Vail Pipeline Contractors
Joyce-Leonard Canada Ltd.
Junior Service & Repair Ltd.
J.W. Cain Limited
Kel-Gor Limited
Kodiak Hydro Vac Services
Kordyban Transport (1980) Ltd.
Lackie Pipestringing Ltd.
Lafarge Canada Inc.
Lafarge Construction Materials
Lakeland Pipelines Ltd.
Leonard Pipeline Contractors Ltd.
L.M. Welter Ltd.
Loram International Ltd.
Louisbourg Pipelines Inc.
Majestic Contractors Limited
Mannix Company Limited
Marine Pipeline Construction of Canada (1993)
Marine Pipeline Construction of Canada Company
Marine Pipeline Construction of Canada Limited
McDace Limited
Michetti Pipe Stringing
Milbar Hydro-Test Ltd.
Mortele Cove Lumley Ltd.
National Caterers Ltd.
Nicholls-Radtke & Associates Limited
Nor-Pipe Construction Limited
Northern Construction Company Ltd.
Northern Crane Service
Northwestern Vegetation Control Ltd.
O.E. Hamlyn Drillers Limited
O.J. Pipelines Corp.
O.J. Pipelines Inc.
Pancana Associated Contractors Ltd.
Pashco Blasting Ltd.
Pat McNulty Ltd.
Pe Ben Industries Company Ltd.
Pe Ben Pipelines (1979) Ltd.
Pemrow Pipelines Construction Ltd.
Pentzien Canada, Inc.
Permanent Concrete

Permanent Lafarge
Premay Pipeline Hauling Ltd.
Premier Murphy - A Joint Venture
Premier Pipelines Limited
Rhucon (1988) Inc.
R.L. Coolsaet of Canada Ltd.
Robert B. Somerville (Div. of Robert McAlpine Ltd.)
Robert B. Somerville Co. Ltd.
Robert Christoph
Robert J. Fierheller
Roger H. Woods Ltd.
ROK Pipeline Inc.
Rowad Pipeline Company Ltd.
RPA Contracting Ltd.
Sartori & Son Company Limited
Sie-Mac Heavy Haulers Ltd.
Snow Bros. Construction Limited
Sombra Welding Limited
Spie Construction Inc.
Steen Pipelines
Stringtest Pipelines Ltd.
Subcor Inc.
Summit Pipeline Services Ltd.
Superior Pipeline Contractors Ltd.
Supernal Welding and Consulting Ltd.
Trail City (Alberta) Ltd.
True Test Pipeline Services
T.W. Johnstone Company Limited
Universal Pipe Line Enterprises Ltd.
Waschuk Pipe Line Contractors Ltd.
Waynco Ltd.
Wiley Oilfield Hauling Ltd.
Williams Pressure Service Ltd.

SASKATCHEWAN

By Designation:

Abco Supply & Service Ltd.
Advanced Hydro-Vac Corporation
Aecon Civil & Utilities
Amalgamated Crane Services Inc.
Banister Majestic Inc.
Banister Pipeline Construction Company
Banister Pipelines Inc.
BFC Industrial - Nicholls Radtke
BFC Pipelines

Big Eagle Contracting Inc.
Coolsaet Pipelines Ltd.
GCL Inc.
Global Air Drilling Services Ltd.
Husky Hydro Vac Ltd.
Industrial Excavators Ltd.
Kodiak Hydro Vac Services
Lafarge Canada Inc.
Louisbourg Pipelines Inc.
Marine Pipeline Construction of Canada Company
Northern Crane Service
O.J. Pipelines Canada
Pe Ben Industries Company Ltd.
Pentzien Canada, Inc.
Permanent Concrete
Premay Pipeline Hauling Ltd.
ROK Pipeline Inc.
RPA Contracting Ltd.
Robert B. Somerville (Div. of Robert McAlpine Ltd.)
Subcor Inc.
Summit Pipeline Services Ltd.
Supernal Welding and Consulting Ltd.
True Test Pipeline Services
T.W. Johnstone Company Limited
Universal Pipeline Enterprises Ltd.
Waschuk Pipe Line Construction Ltd.

SCHEDULE B
INTERNATIONAL UNION OF
OPERATING ENGINEERS

FRANK HANLEY, General President
1125 - 17th Street N.W., Washington, DC 20036
(202) 429-9100 Fax: (202) 429-0316

HOWARD L. (BUD) EVANS, Pipeline Representative
1125 - 17th Street N.W., Washington, DC 20036
(202) 429-9100 Fax: (202) 429-0316

DERM CAIN, Canadian Director
28 Aberdeen St., PO Box 700, Kentville, NS B4N 3X9
(902) 678-9950 Fax: (902) 678-1838

INTERNATIONAL REPRESENTATIVES (CANADA)

British Columbia and Yukon Territory:

BRUCE ALLEN
110, 7450 Lowland Dr., Burnaby, BC V5J 5A4
(604) 438-1616 Fax: (604) 439-2459

Alberta, Sask., Manitoba, and Northwest Territories:

MATT McGINNIS
11015 - 153 Street, Edmonton, AB T5P 2E3
(780) 414-0224 Fax: (780) 414-1001

Ontario:

PHIL BERTRAND
1621 Bottrill Way, Orleans, ON K4A 1W5
(613) 837-1368 Fax: (613) 837-1780

DONALD KNIBBS
1202 S. Edward St., Thunder Bay, ON P7E 2J2
(807) 623-2243

Quebec:

JEAN-MARC MORIN
1001 Montee Ste-Julie, Ville Ste-Julie, QC J3E 1Y2
(514) 326-9412 Fax: (514) 326-9417

Atlantic Provinces:

T. CROCKETT
Upper Tea Hill Cres., Charlottetown, PE C1A 7J6
(902) 569-5063 Fax: (902) 569-2865

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

British Columbia - Local 115

GARY KROEKER, Business Manager
4333 Ledger Ave., Burnaby, BC V5G 3T3
(604) 291-8831 Fax: (604) 473-5235

Alberta - Local 955

DOUG GOSSETT, Business Manager
10350 - 172 Street, Edmonton, AB T5S 1G9
(780) 483-0955 Fax: (780) 483-1998

Saskatchewan - Local 870

GLADYS DOWNING, Business Manager
2175 Airport Drive, Saskatoon, SK S7L 7E1
(306) 665-7718 Fax: (306) 665-0998

Manitoba - Local 987

JIM MURPHY, Business Manager
1008 Wall St., Winnipeg, MB R3G 2V3
(204) 786-8658 Fax: (204) 786-6578

Ontario - Local 793

MICHAEL GALLAGHER, Business Manager
30 Commercial Rd., Toronto, ON M4G 1Z6
(416) 425-8710 Fax: (416) 425-2597

Quebec - Local 905

ROBERT BISQUE, President
228 - 4881 Jarry St. E., Montreal, QC H1R 1Y1
(514) 326-9412 Fax: (514) 326-9417

Nova Scotia - Local 721

KEN ESTABROOKS, Business Manager
251 Brownlow Ave., Dartmouth, NS B3B 2A9
(902) 865-8844 Fax: (902) 864-0676

New Brunswick - Local 946

DAVID KILPATRICK, Business Manager
126 Main Street W., Saint John, NB E2L 4E3
(506) 635-1110 Fax: (506) 635-1656

Newfoundland - Local 904

MIKE EZEKIEL, Business Manager
#301 - 62 Commonwealth Ave., Mt. Pearl, NF A1N 1W8
(709) 747-9040 Fax: (709) 747-6760

Prince Edward Island - Local 902

BLAIR McKINNON, Business Manager
326 Patterson Drive, Charlottetown, PE C1A 8K4
(902) 892-3662 Fax: (902) 892-4286

**APPENDIX 1
OPERATING ENGINEERS MAINLINE
PIPELINE AGREEMENT FOR CANADA
BRITISH COLUMBIA AND YUKON TERRITORY**

1.1 WAGE RATES AND CLASSIFICATIONS:

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

British Columbia & Yukon Territory	May 1 2003	May 1 2004	May 1 2005	May 1 2006
Apprentice Operator	28.72	29.18	29.72	30.27
Intermediate Operator	32.66	33.12	33.66	34.21
Principal Operator – Group 2	34.99	35.45	35.99	36.54
Principal Operator – Group 1	35.99	36.45	36.99	37.54

Operating Engineers working on hot work shall be paid \$1.00 per hour above their regular rate of pay each day they are engaged in such work.

1.1.2 The hourly wage rates for the Job Steward shall be fifty cents (\$0.50) per hour above the regular rate for his classification.

1.1.3 Mechanics, Lubrication and Service Unit Operators, Utility Welders, Apprentice Mechanics, Lubrication and Service Unit Helpers, and Utility Welder Helpers shall receive an allowance for coveralls for each hour of work performed of twenty cents (\$0.20).

1.2 SUBCONTRACTORS:

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

1.3 EMPLOYER CONTRIBUTIONS:

Contributions will be paid on each hour of work earned with respect to each employee.

British Columbia & Yukon Territory	May 1 2003	May 1 2004	May 1 2005	May 1 2006
Health and Welfare	2.10	2.15	2.20	2.25
Training	0.65		0.75	0.85
Pension	6.25	6.45	6.70	6.95
Tool Replacement	0.08			
OE Advancement	0.75			
Cdn Pipeline Development*	0.00	0.20	0.30	0.50
Pipeline Industry Promotion†	0.25		0.27	0.29

* The Canadian Pipeline Development Fund shall be administered by the Canadian Pipeline Advisory Council and remitted monthly to the Pipe Line Contractors Association of Canada.

† The Pipeline Industry Promotion Fund shall be administered by the Pipe Line Contractors Association of Canada.

1.4 OVERTIME AND HOLIDAY PAY:

1.4.1 The following additional general holidays, as recognized by the Construction Industry in British Columbia, shall be observed on all work covered by this Appendix: Heritage Day and Easter Monday.

1.5 WAREHOUSE AND TRAVEL:

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

1.5.2 A local resident is a person who has maintained a permanent postal address at the city, town or community where the warehouse or marshalling point is established for a period of sixty (60) days prior to his commencement of employment on the job.

1.6 WORKING DUES:

1.6.1 The hourly working dues shall be calculated at two percent (2%) of the Principal Operator - Group I hourly wage rate and shall be deducted from each employee covered by this Agreement for each hour for which wages are payable.

1.7 NATIONAL COLLECTIVE BARGAINING FUND:

1.7.1 The Employer shall deduct from each employee covered by this Agreement fifteen cents (\$0.15) for each hour of work performed. The amount deducted shall be remitted monthly to a central fund administered by the Union.

**APPENDIX 2
OPERATING ENGINEERS MAINLINE
PIPELINE AGREEMENT FOR CANADA
ALBERTA AND NORTHWEST TERRITORIES**

2.1 WAGE RATES AND CLASSIFICATIONS:

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

Alberta & Northwest Territories	May 1 2003	May 1 2004	May 1 2005	May 1 2006
Apprentice Operator	23.20	23.52	24.02	24.57
Intermediate Operator	28.72	29.04	29.54	30.09
Principal Operator – Group 2	32.05	32.37	32.87	33.42
Principal Operator – Group 1	33.05	33.37	33.87	34.42

Operating Engineers working on hot work shall be paid \$1.00 per hour above their regular rate of pay each day they are engaged in such work.

2.1.2 The hourly wage rates for the Job Steward shall be fifty cents (\$0.50) per hour above the regular rate for his classification.

2.1.3 Mechanics, Lubrication and Service Unit Operators, Utility Welders, Apprentice Mechanics, Lubrication and Service Unit Helpers, and Utility Welder Helpers shall receive an allowance for tools and coveralls for each hour of work performed of twenty cents (\$0.20) payable at July 1st, December 1st, or at termination of employment, whichever first occurs.

2.1.4 On major Mainline Pipeline jobs, as determined at the Pre-job Conference, Specialty Principal Operators will receive twenty-five cents (\$0.25) per hour above the regular Principal Operator - Group I rate. Specialty Principal Operator means any person employed as heavy duty mechanic, equipment repair welder, helicopter pilot or to operate equipment as follows: Boom tractors on setting-in, bending and cradling clean and wrap machines; Bending machines; Cleaning, doping and wrapping machines; Lubrication and Service Units; Stringing boom tractors; Cable operated clams, draglines and mormon boards.

2.2 EMPLOYER CONTRIBUTIONS:

Contributions will be paid on each hour of work earned with respect to each employee.

Alberta & Northwest Territories	May 1 2003	May 1 2004	May 1 2005	May 1 2006
Health and Welfare	1.65	1.75	1.90	2.00
Training	0.55	0.60	0.65	0.70
Pension	5.50	5.75	6.00	6.25
OE Advancement	0.75			
Cdn Pipeline Development*	0.00	0.20	0.30	0.50
Pipeline Industry Promotion†	0.25		0.27	0.29

* The Canadian Pipeline Development Fund shall be administered by the Canadian Pipeline Advisory Council and remitted monthly to the Pipe Line Contractors Association of Canada.

† The Pipeline Industry Promotion Fund shall be administered by the Pipe Line Contractors Association of Canada.

2.3 OVERTIME AND HOLIDAY PAY:

2.3.1 Additional holidays recognized by the Construction Industry in each geographical area will be observed on all work covered by this Appendix.

2.4 NATIONAL COLLECTIVE BARGAINING FUND:

2.4.1 The Employer shall deduct from each employee covered by this Agreement fifteen cents (\$0.15) for each hour of work performed. The amount deducted shall be remitted monthly to a central fund administered by the Union.

APPENDIX 3

**OPERATING ENGINEERS MAINLINE
PIPELINE AGREEMENT FOR CANADA
SASKATCHEWAN**

3.1 WAGE RATES AND CLASSIFICATIONS:

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

Saskatchewan	May 1 2003	May 1 2005	May 1 2006
Apprentice Operator	23.65	23.88	24.10
Intermediate Operator	29.17	29.40	29.62
Principal Operator – Group 2	32.49	32.72	32.94
Principal Operator – Group 1	33.49	33.72	33.94

Operating Engineers working on hot work shall be paid \$1.00 per hour above their regular rate of pay each day they are engaged in such work.

3.1.2 The hourly wage rates for the Job Steward shall be fifty cents (\$0.50) per hour above the regular rate for his classification.

3.1.3 Mechanics, Lubrication and Service Unit Operators, Utility Welders, Apprentice Mechanics, Lubrication and Service Unit Helpers, and Utility Welder Helpers shall receive an allowance for tools and coveralls for each hour of work performed of twenty cents (\$0.20) payable at July 1st, December 1st, or at termination of employment, whichever first occurs.

3.1.4 On major Mainline Pipeline jobs, as determined at the Pre-job Conference, Specialty Principal Operators will receive twenty-five cents (\$0.25) per hour above the regular Principal Operator - Group I rate. Specialty Principal Operator means any person employed as heavy duty mechanic, equipment repair welder, helicopter pilot or to operate equipment as follows: Boom tractors on setting-in, bending and cradling clean and wrap machines; Bending machines; Cleaning, doping and wrapping machines; Lubrication and Service Units; Stringing boom tractors; Cable operated clams, draglines and mormon boards.

3.2 EMPLOYER CONTRIBUTIONS:

Contributions will be paid on each hour of work earned with respect to each employee.

Saskatchewan	May 1 2003	May 1 2004	May 1 2005	May 1 2006
Health and Welfare	2.20	2.95	3.20	3.45
Training	0.70		0.95	1.20
Pension	4.50		4.75	5.00
OE Advancement	0.75			
Cdn Pipeline Development*	0.00	0.20	0.30	0.50
Pipeline Industry Promotion†	0.25		0.27	0.29

* The Canadian Pipeline Development Fund shall be administered by the Canadian Pipeline Advisory Council and remitted monthly to the Pipe Line Contractors Association of Canada.

† The Pipeline Industry Promotion Fund shall be administered by the Pipe Line Contractors Association of Canada.

3.3 OVERTIME AND HOLIDAY PAY:

3.3.1 Additional holidays recognized by the Construction Industry in Saskatchewan will be observed on all work covered by this Appendix.

3.4 NATIONAL COLLECTIVE BARGAINING FUND:

3.4.1 The Employer shall deduct from each employee covered by this Agreement fifteen cents (\$0.15), for each hour of work performed. The amount deducted shall be remitted monthly to a central fund administered by the Union.

APPENDIX 4

**OPERATING ENGINEERS MAINLINE
PIPELINE AGREEMENT FOR CANADA
MANITOBA**

4.1 WAGE RATES AND CLASSIFICATIONS:

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

Manitoba	May 1 2003	May 1 2004	May 1 2005	May 1 2006
Apprentice Operator	23.69	24.15	24.60	25.06
Intermediate Operator	29.21	29.67	30.12	30.58
Principal Operator – Group 2	32.54	33.00	33.45	33.91
Principal Operator – Group 1	33.54	34.00	34.45	34.91

Operating Engineers working on hot work shall be paid \$1.00 per hour above their regular rate of pay each day they are engaged in such work.

4.1.2 The hourly wage rates for the Job Steward shall be fifty cents (\$0.50) per hour above the regular rate for his classification.

4.1.3 Mechanics, Lubrication and Service Unit Operators, Utility Welders, Apprentice Mechanics, Lubrication and Service Unit Helpers, and Utility Welder Helpers shall receive an allowance for tools and coveralls for each hour of work performed of twenty cents (\$0.20) payable at July 1st, December 1st, or at termination of employment, whichever first occurs.

4.1.4 On major Mainline Pipeline jobs, as determined at the Pre-job Conference, Specialty Principal Operators will receive twenty-five cents (\$0.25) per hour above the regular Principal Operator - Group I rate. Specialty Principal Operator means any person employed as heavy duty mechanic, equipment repair welder, helicopter pilot or to operate equipment as follows: Boom tractors on setting-in, bending and cradling clean and wrap machines; Bending machines; Cleaning, doping and wrapping machines; Lubrication and Service Units; Stringing boom tractors; Cable operated clams, draglines and mormon boards.

4.2 EMPLOYER CONTRIBUTIONS:

Contributions will be paid on each hour of work earned with respect to each employee.

Manitoba	May 1 2003	May 1 2004	May 1 2005	May 1 2006
Health and Welfare	1.50	1.60	1.70	1.80
Training	0.80	0.85	0.90	0.95
Pension	5.55	5.65	5.90	6.15
OE Advancement	0.75		0.85	0.95
Cdn Pipeline Development*	0.00	0.20	0.30	0.50
Pipeline Industry Promotion†	0.25		0.27	0.29

* The Canadian Pipeline Development Fund shall be administered by the Canadian Pipeline Advisory Council and remitted monthly to the Pipe Line Contractors Association of Canada.

† The Pipeline Industry Promotion Fund shall be administered by the Pipe Line Contractors Association of Canada.

4.3 OVERTIME AND HOLIDAY PAY:

4.3.1 Additional holidays recognized by the Construction Industry in Manitoba will be observed on all work covered by this Appendix.

4.4 NATIONAL COLLECTIVE BARGAINING FUND:

4.4.1 The Employer shall deduct from each employee covered by this Agreement fifteen cents (\$0.15), for each hour of work performed. The amount deducted shall be remitted monthly to a central fund administered by the Union.

APPENDIX 5

**OPERATING ENGINEERS MAINLINE
PIPELINE AGREEMENT FOR CANADA
ONTARIO**

5.1 WAGE RATES AND CLASSIFICATIONS:

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

Ontario	May 1 2003	May 1 2004	May 1 2005	May 1 2006
Apprentice Operator	24.85	25.31	25.81	26.31
Intermediate Operator	29.77	30.23	30.73	31.23
Principal Operator – Group 2	33.10	33.56	34.06	34.56
Principal Operator – Group 1	34.10	34.56	35.06	35.56

Operating Engineers working on hot work shall be paid \$1.00 per hour above their regular rate of pay each day they are engaged in such work.

5.1.2 The hourly wage rates for the Job Steward shall be fifty cents (\$0.50) per hour above the regular rate for his classification.

5.1.3 Mechanics, Lubrication and Service Unit Operators, Utility Welders, Apprentice Mechanics, Lubrication and Service Unit Helpers, and Utility Welder Helpers shall receive an allowance for tools and coveralls for each hour of work performed of twenty cents (\$0.20) payable at July 1st, December 1st, or at termination of employment, whichever first occurs.

5.1.4 On major Mainline Pipeline jobs, as determined at the Pre-job Conference, Specialty Principal Operators will receive twenty-five cents (\$0.25) per hour above the regular Principal Operator - Group I rate. Specialty Principal Operator means any person employed as heavy duty mechanic, equipment repair welder, helicopter pilot or to operate equipment as follows: Boom tractors on setting-in, bending and cradling clean and wrap machines; Bending machines; Cleaning, doping and wrapping machines; Lubrication and Service Units; Stringing boom tractors; Cable operated clams, draglines and mormon boards.

5.1.5 Effective November 1, 2000, the Employer shall deduct ten cents (10¢) for each hour earned by each employee covered by this Agreement for Advancement Dues. The amount deducted shall be remitted together with other monthly contributions and deductions in the manner set out in this Agreement.

WORKING DUES

The working dues shall be calculated at two (2%) of the employee's wage rate for all hours earned and shall be deducted from each employee and remitted monthly to Operating Engineers Local 793 monthly with the Health & Welfare remittance.

5.2 EMPLOYER CONTRIBUTIONS:

Contributions will be paid on each hour of work earned with respect to each employee.

Ontario	May 1 2003	May 1 2004	May 1 2005	May 1 2006
Health and Welfare	2.50	2.75	3.00	3.25
Training	0.50			
Pension	6.60		6.80	7.00
Cdn Pipeline Development*	0.00	0.20	0.30	0.50
Pipeline Industry Promotion†	0.25		0.27	0.29

* The Canadian Pipeline Development Fund shall be administered by the Canadian Pipeline Advisory Council and remitted monthly to the Pipe Line Contractors Association of Canada.

† The Pipeline Industry Promotion Fund shall be administered by the Pipe Line Contractors Association of Canada.

5.2.1 The Trustees of the employee benefit funds referred to in this Agreement shall promptly notify the Local Union of the failure by any Employer to pay any employee benefit contributions required to be made under this Agreement and which are owed under the said funds in order that the Program 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 Regulation to the Employment Standards Amendment Act, 1991, in relation to the Employee Wage Protection Program.

5.3 OVERTIME AND HOLIDAY PAY:

5.3.1 Additional holidays recognized in the Construction Industry in each geographical area will be observed on all work covered by this Appendix.

5.4 EXCLUSIONS:

5.4.1 All work on pipelines 6" diameter and less shall be performed under the terms and conditions for work on Distribution Systems as contained in the Operating Engineers Distribution Systems Agreement for Canada.

5.5 NATIONAL COLLECTIVE BARGAINING FUND:

5.5.1 The Employer shall deduct from each employee covered by this Agreement fifteen cents (\$0.15) for each hour of work performed. The amount deducted shall be remitted monthly to a central fund administered by the Union.

APPENDIX 6
OPERATING ENGINEERS MAINLINE
PIPELINE AGREEMENT FOR CANADA
NEW BRUNSWICK, NOVA SCOTIA, PRINCE
EDWARD ISLAND, AND NEWFOUNDLAND AND
LABRADOR

6.1 WAGE RATES AND CLASSIFICATIONS:

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

New Brunswick, Nova Scotia, Prince Edward Island & Newfoundland and Labrador	May 1 2003	May 1 2004	May 1 2005	May 1 2006
Apprentice Operator	22.28	22.55	23.01	23.46
Intermediate Operator	27.80	28.07	28.53	28.98
Principal Operator – Group 2	31.13	31.40	31.86	32.31
Principal Operator – Group 1	32.13	32.40	32.86	33.31

Operating Engineers working on hot work shall be paid \$1.00 per hour above their regular rate of pay each day they are engaged in such work.

6.1.2 The hourly wage rates for the Job Steward shall be fifty cents (\$0.50) per hour above the regular rate for his classification.

6.1.3 Mechanics, Lubrication and Service Unit Operators, Utility Welders, Apprentice Mechanics, Lubrication and Service Unit Helpers, and Utility Welder Helpers shall receive an allowance for tools and coveralls for each hour of work performed of twenty cents (\$0.20) payable at July 1st, December 1st, or at termination of employment, whichever first occurs.

6.1.4 On major Mainline Pipeline jobs, as determined at the Pre-job Conference, Specialty Principal Operators will receive twenty-five cents (\$0.25) per hour above the regular Principal Operator - Group I rate. Specialty Principal Operator means any person employed as heavy duty mechanic, equipment repair welder, helicopter pilot or to operate equipment as follows: Boom tractors on setting-in, bending and cradling clean and wrap machines; Bending

machines; Cleaning, doping and wrapping machines; Lubrication and Service Units; Stringing boom tractors; Cable operated clams, draglines and mormon boards.

6.2 EMPLOYER CONTRIBUTIONS:

Contributions will be paid on each hour of work earned with respect to each employee.

Atlantic Canada	May 1 2003	May 1 2004	May 1 2005	May 1 2006
Health and Welfare	1.70			1.75
Training	1.00			1.20
Pension	5.95	6.15	6.40	6.60
OE Advancement	1.00	1.25	1.50	1.55
Cdn Pipeline Development*	0.00	0.20	0.30	0.50
Pipeline Industry Promotion†	0.25		0.27	0.29

* The Canadian Pipeline Development Fund shall be administered by the Canadian Pipeline Advisory Council and remitted monthly to the Pipe Line Contractors Association of Canada.

† The Pipeline Industry Promotion Fund shall be administered by the Pipe Line Contractors Association of Canada.

6.3 OVERTIME AND HOLIDAY PAY:

6.3.1 Additional holidays recognized by the Construction Industry in each geographical area will be observed on all work covered by this Appendix.

6.4 NATIONAL COLLECTIVE BARGAINING FUND:

6.4.1 The Employer shall deduct from each employee covered by this Agreement fifteen cents (\$0.15) for each hour of work performed. The amount deducted shall be remitted monthly to a central fund administered by the Union.

6.5 ASSIGNMENT

6.5.1 The Employer agrees that, notwithstanding the provisions in any of the other three pipeline crafts' agreements, appendices or understandings, the assignment of any work shall be made in accordance with local area practice and Provincial Labour Board decisions.