

# ARGENTIA LAY DOWN PROJECT AGREEMENT

BETWEEN

**CONSTRUCTION LABOUR RELATIONS ASSOCIATION OF NEWFOUNDLAND AND LABRADOR INC. ("CLRA")** on behalf of contractors to be engaged to operate the materials and equipment Lay Down facility in support of the Special Project known as the Long Harbour Processing Plant Special Project.

(herein the "CLRA")

AND

**TRANSPORT AND ALLIED WORKERS, TEAMSTERS, LOCAL 855** and any other of the unions that may become signatories to this Agreement.

(herein called collectively the "trade unions")

March 9<sup>th</sup>, 2011

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**WHEREAS** CLRA is the accredited employer for all unionized employees operating for all unionized employers operating in the commercial industrial sector by way of an accreditation order of the Newfoundland Labour Relations Board dated 12 October 1976;

**AND WHEREAS** CLRA has individual Provincial Collective Agreements;

**AND WHEREAS** contractors operating in the commercial industrial division of the construction industry that have been invited to bid for work to operate the construction lay down area as described in Appendix "A" in exclusive support of the Long Harbour Processing Plant Special Project;

**AND WHEREAS** the CLRA on behalf of contractors to be engaged, has approached the trade union herein described with a view to concluding a Lay Down Project Agreement (Project Agreement) for the operation of a lay down area at or near Argentia in the Province of Newfoundland and Labrador for the exclusive support of the Special Project at Long Harbour known as the Long Harbour Processing Plant Special Project (herein the "Special Project");

**AND WHEREAS** CLRA as the lawful bargaining rights for unionized employers in the commercial industrial sector of the construction industry has agreed to negotiate a Project Agreement separate and apart from the agreements that it negotiates in respect of the Province's commercial and industrial division of the Construction Industry (herein called "the Provincial Agreements") provided that the resultant Project Agreement is restricted to the completion of the Lay Down Project as is herein specifically defined;

**AND WHEREAS** each of the signatory trade union(s) has agreed to conclude a Project Agreement that does not expand or create bargaining rights in respect of the Special Project, the primary contractors or any Sub-Contractors on the Special Project or contractors outside the lay down geographic area by reason of compliance and adherence to this Project Agreement;

**AND WHEREAS** upon completion or termination of this Project Agreement the Contractor(s) engaged upon the Lay Down Project Site and who are subject to this Project Agreement will also not be required to apply nor shall they be bound to any Provincial Agreements that they were not bound to apply prior to complying with this Project Agreement (herein called the "site sealed understanding").

**WITNESSETH** that the parties hereto agree as follows:

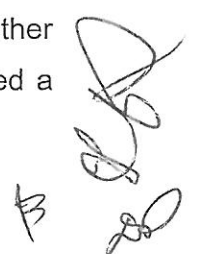
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**ARTICLE 1.00**  
**PURPOSE**

- 1.01** The purpose of this Project Agreement is for the exclusive support of the Special Project and to establish conditions so as to promote orderly and productive relations between contractors and the trade union(s) to achieve uninterrupted completion of the Lay Down Project on time and at the least cost while achieving the highest level of performance and productivity consistent with safety, good health and sustained effort.
- 1.02** This Project Agreement and its constituent Appendices and Schedules shall constitute a collective agreement in the commercial industrial division of the construction industry for the purposes of the *Labour Relations Act* when executed by the parties and shall be administered as such.
- 1.03** The recitals form an integral part of the Agreement.

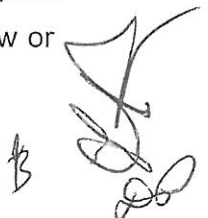
**ARTICLE 2.00**  
**RECOGNITION AND RELATIONSHIP**

- 2.01** (a) The use in this Agreement of the words "employee" or "employees" shall mean any person or persons engaged on the Lay Down Project by a Contractor or a Subcontractor of a Contractor in an occupation or classification set forth on any of the Trade Appendices which may become attached to this project agreement or occupations described on Appendix "B" attached hereto, being warehouse persons.
- (b) The use of the words "company" or "companies", "employer" and "employers" (unless the context suggests otherwise) shall mean the Contractors engaged upon the work of the Lay Down Project managed and administered by the Contractor, but does not include delivery or transport contractors engaged merely in the delivery of consumables, materials, equipment and modules to the Lay Down Project for incorporation or use in the construction of the Special Project, whether single or multiple drop, where such multiple drops do not include reloading or drops outside designated lay down areas while on the lay down site, in which case the normal practice for multiple drops applies.
- (c) The use of the word "Contractor" shall mean only those enterprises, whether incorporated or not and whether unionized or not, which have been awarded a



contract to perform some or all of the work of the Lay Down Project managed by and administered by the Contractor but, shall not mean Vale Newfoundland and Labrador Inc. or its engineering procurement and construction management contractor (collectively referred to as the Owner), nor any part of the work on the Project reserved to or performed by the Owner's own forces and further does not include delivery or transport contractors engaged merely in the delivery of consumables, materials, equipment or modules to the Lay Down Project for incorporation or use in the construction of the Special Project, whether single or multiple drop, where such multiple drops do not include reloading or drops outside designated lay down areas while on the lay down site, in which case the normal practice for multiple drops applies.

- (d) "Lay Down Project" shall mean the handling of material offloaded from transport, vehicles or equipment, the offloading of transports, vehicles or equipment for temporary storage whether inside or outside a structure, reloading for transport to the Special Project, the unloading, storing of materials, equipment or modules and reloading of same that arrive at the lay down site that has been contracted to contractors and their subcontractors, and, managed and administered by the Contractor.
- (e) "CLRA Provincial Agreement(s)" means one or more of the Collective Agreements between the CLRA and any union that may become a signatory union(s) to this Project Agreement in force at the date of this Project Agreement and such renewals thereof that may occur during the life of this Project Agreement.
- (f) "Trade Appendix" means the current and applicable Provincial Agreement as amended by this Project Agreement. In the event of a conflict between this Project Agreement and the Provincial Agreement, the Project Agreement shall prevail. For certainty, this Project Agreement contemplates that the Provincial Agreements between the CLRA and signatory union(s) to this Project Agreement existing or expired for the commercial industrial division will be applicable until renewed or replaced, at which point, it shall become the applicable Trade Appendix for the trade and the monetary changes applied retroactively in respect of this Project Agreement from the date expressed for applicability in the new or

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renewed Provincial Agreement. Any Trade Appendix that is replaced during the term of this Project Agreement shall be deemed to be amended as the context requires to reflect the changes, or modifications contemplated by the provisions hereof.

- (g) "Exempt Personnel" shall mean all employees or persons currently exempted under CLRA Collective Agreements and the employees of the Owner. Any exempted employees currently exempted under a CLRA applicable agreement in respect of any contractor and who are subject to certification under the ***Labour Relations Act*** remain entitled to exercise their usual rights under the Act respecting certification, but the trade unions agree not to interfere with the existing bargaining rights of the employees of the Contractor and/or the Owner, their subsidiaries and related companies.

## 2.02 Recognition

- 2.02.01** The Lay Down Project shall be a unionized Project and treated as a construction project for the purposes of applying the terms and conditions specified in this Project Agreement and any trade appendices that may be attached.
- 2.02.02** Any Contractor, including subcontractors, engaged in work on the Lay Down Project shall be bound to this Project Agreement and adhere to its terms while so engaged on the Lay Down Project site described in Appendix "A".
- 2.02.03** A Contractor performing work on the Project who is presently bound by one or more CLRA Provincial Agreements for a particular trade will and hereby is exempted from the application of the CLRA Provincial Agreements respecting work performed on the Project and the terms and conditions herein set forth shall be applicable while working on the Lay Down Project.
- 2.02.04** Contractors shall remain bound to the CLRA Provincial Agreements while engaged in the commercial industrial division of the construction industry outside of the Lay Down Project to the extent same are operative and binding on them as if this Project Agreement had not been entered into.



- 2.02.05** Notwithstanding 2.02.03, any reference herein to the CLRA Provincial Agreements in the Articles which follow is intended to specifically incorporate into this Project Agreement the Article(s) from the applicable Provincial Agreement of signatory union(s) and shall not be construed as saving or causing the parties hereto to have extended or revived the Provincial Agreements, or their applicability outside the Project.
- 2.02.06** During the term hereof, the signatory union(s) agree that there will be no strikes, slowdowns, or work stoppages, or concerted activity designed to restrict or limit productivity and the employers agree that there will be no lockouts.
- 2.02.07** In the event of a conflict specific or implied between any appendices to this Project Agreement, the main body of this Agreement shall prevail.

**ARTICLE 3.00**  
**SPECIAL JURISDICTION CLAUSE**

- 3.01** In all warehousing/laydown, the offloading (excluding crane work) of transports, vehicles, or equipment for temporary storage whether inside or outside a structure, reloading (excluding crane work) for transport to the Special Project, the unloading (excluding crane work), storing and materials, equipment or modules and reloading (excluding crane work) of the same shall be assigned to the Teamsters Union, Local 855. All other trades will be hired on an as-needed basis.
- 3.02** All tradespersons, as a condition of remaining on site, shall comply at all times with the safety and security rules established for the site and shall further be required to attend orientation sessions.

**ARTICLE 4.00**  
**COMPOSITE CREWS**

- 4.01** Composite crews may be utilized in connection with the work, as determined by the contractor, under this Project Agreement subject to the following administrative understandings:
- (i) site trades to be utilized for the composite crews;

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- (ii) the estimated number of employees per trade for each composite crew to be used shall be disclosed if practical to the trade union(s) involved.
- (iii) the Union that provides the greatest number of employees to the composite crew shall provide the first required foreman/general foreman subject to availability. If more supervision is required, such supervision shall be provided on a pro-rated basis if practical;
- (iv) Unions dispatching members to composite crews shall advise members they will be working on a composite crew;

composite crew work assignments shall be on a without prejudice basis and shall not form part of local practice for purposes of determining work jurisdiction under Provincial Agreements;

**ARTICLE 5.00**  
**ELECTION UNDER LABOUR RELATIONS ACT REGARDING DISPUTES**

**5.01** The parties hereby expressly pre-elect under Section 92(12) of the *Labour Relations Act*, 1990, with regard to the presentation and prosecution of disputes or differences including the arbitration of same as set forth in Section 92 of the *Labour Relations Act* and further agree that a "dispute or difference between the parties" as envisioned by Section 92 of the *Labour Relations Act* shall be deemed not to exist, unless and until the requirements of this Article have been completed up to and including the appointment of an arbitrator.

**5.02** It is the mutual desire of the parties hereto that disputes or differences between them shall be settled as quickly as possible. Any issues that may constitute a dispute or difference arising out of the interpretation, application or alleged violation of the Project Agreement, including the quantum of discipline, shall be adjusted, without strike, lockout or slowdown of work, as quickly as possible, in accordance with the following procedures.

Step 1: Any employee, assisted by his Steward if he so desires, may present a complaint to his immediate Superintendent within two (2) working days after the circumstances giving rise to the complaint have occurred or





originated or within two (2) working days of the employee becoming aware of such circumstances giving rise to the dispute or difference.

The Superintendent will render his decision within two (2) working days. Decisions are rendered solely for the purposes of resolving the complaint and shall not be considered as binding in any other disputes.

Step 2: Should the matter be unresolved, the employee assisted by his Steward, and the affected Union's Steward as designated under the applicable Trade Appendix, shall submit the matter within a further two (2) working days to the Contractors' Representative on the Site. Such reference shall be made in writing, stating the alleged violation and indicating the Article or Articles of the Project Agreement, which it is alleged are being violated and the remedy sought. The Contractors' Representative following consultation will render a decision in writing within two (2) working days.

Step 3: Within two (2) working days, in a final attempt to resolve the grievance, the Contractors' Representative and the affected Union's Steward shall meet with the appropriate Business Manager. If no resolution can be achieved within two (2) working days, the Union may refer the matter to arbitration in accordance with the procedure that follows in 4.05.

**5.03** (a) It is understood that a Contractor may file a complaint in writing with the applicable Union Steward or Business Agent and that if such complaint is not settled within two (2) working days, it may be treated as a grievance commencing at Step 3 and referred to arbitration in the same way as a grievance of an employee.

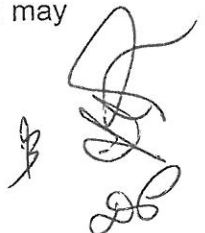
(b) It is understood that any one or a combination of the trade unions herein may file a complaint in writing with a Contractor and that, if such complaint is not settled within two (2) working days it may be treated as a grievance commencing at Step 3 and referred to arbitration in the same way as a complaint of an employee.

**5.04** The appointment of the arbitrator will be made within two (2) working days of the final decision of Article 4.02, Step 3, and will be made as follows:

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The arbitrator shall be selected in rotation from a list (Exhibit 1) of four (4) arbitrators acceptable to the parties attached to and forming part of this Project Agreement. Should the arbitrator whose turn it is, be unable to act within the time requirements delineated in Article 4.05 and 4.06, he shall be passed over to the next person on the list. Should none of the arbitrators on the list be able to act within the time requirements and the parties are unable to agree on the extension of the time limits to accommodate a listed arbitrator, the parties shall meet by telephone, or in person, and agree to an appointment of an arbitrator from the approved arbitrators generally used by the parties in the province.

- 5.05** The parties shall, within five (5) working days of an arbitrator's appointment, convene a meeting with the arbitrator to hear all the relevant evidence. The decision of the arbitrator shall be final and binding on the parties.
- 5.06** The arbitrator shall render an oral decision within three (3) working days of completing the hearing and shall present his decision in writing to the parties within five (5) working days of the hearing, unless otherwise specified by consent of the parties.
- 5.07** The arbitrator shall not have any power to alter or change any of the provisions of this Agreement or to substitute any new provisions for any existing provisions, nor to give any decision inconsistent with the terms and provisions of this Agreement and shall have no power to apply statutes beyond the ***Labour Relations Act*** except for the purpose of interpreting this Project Agreement unless such power is mutually agreed to be extended to the arbitrator at a hearing into the dispute or difference.
- 5.08** Each of the parties shall pay an equal share of the expenses and fees of the arbitrator.
- 5.09** Each of the parties to and every person bound by this Project Agreement and every person on whose behalf the Project Agreement is entered into shall comply with the provisions for final settlement contained in this Project Agreement and shall comply with any decision of the arbitrator appointed in accordance with the provisions herein and do or abstain from doing anything required by that decision.
- 5.10** In determining the time limits in this Article, Saturdays, Sundays and Holidays as defined in this Project Agreement shall be excluded and any time limits referenced herein may

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only be extended by mutual agreement in writing between the Contractor(s) and Union(s) involved.

**5.11** It is recognized that by mutual agreement of the parties, the grievance procedures and time limits may be waived and the grievance referred directly to arbitration.

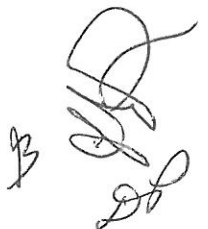
**5.12** Either party to an arbitration procedure must notify the other party in writing of any preliminary objection within three (3) working days of the appointment of the arbitrator in accordance with Article 4.05.

- (i) An arbitrator shall not dismiss any grievance on a technicality or error in form. A delay of up to two (2) working days beyond stated time limits will not result in a grievance being lost on the grounds of unreasonable delay.

**ARTICLE 6.00**  
**SAVING CLAUSE**

**6.01** If any provision of this Project Agreement is in conflict with the laws or regulations of Canada or Newfoundland and Labrador, such provisions shall be superseded by such law or regulation. Unless prohibited from doing so by such law or regulations, or by a ruling of any Court or Board of competent jurisdiction which has declared any provision of this Project Agreement invalid or inoperable, the CLRA and the trade unions bound by this Project Agreement may, within fifteen (15) days notice of either upon the other, meet and commence negotiations, the sole and restricted purpose of which shall be to provide adequate legal replacement of such provision in keeping with the original intent if possible. In the event that such negotiations do not result in agreement upon a legal replacement for such provision within fourteen (14) days of commencement of negotiations, or such longer period as may be mutually agreed upon between the parties, the matter shall be resolved in accordance with Article 4.00.

**6.02** The parties hereto represent and warrant to each other that the activities contemplated herein and to be performed in connection with this Project Agreement is exclusively for the logistical and material support of the Special Project.

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- 6.03** This Project Agreement and its Trade appendices and Schedules together form and are the entire agreement. There are no representations oral or written other than those specifically set out herein.

**ARTICLE 7.00**  
**PROJECT SEALED CLAUSE**

- 7.01** The signatory Unions agree that, in exchange for the Owner and the Contractor requiring the Lay Down Project to be a union project for the work, that Contractors engaged upon the Lay Down Project shall be entitled to leave the Lay Down Project with only obligations respecting the bargaining rights that each came with to the Lay Down Project. For greater certainty, the signatory Trade Unions agree that neither the nature of the unionized project, nor the application or existence of this Project Agreement, nor any other practice or representation done in pursuance of this Project Agreement shall create in any of the Trade Unions, or the Contractor, or the Owner, any additional rights or obligations between each other respecting the business activities of the Owner or Contractor(s) outside the Project. The signatory Unions shall neither assert voluntary recognition, seek certification nor any declaration that bargaining rights exist with a Contractor, Subcontractor or the Owner upon departure from the Project, nor from and after this Project Agreement terminates or expires.
- 7.02** The parties recognize that the relationship and obligations created for the purposes of this Project Agreement and work performed under it shall not survive, nor be the basis or support for creation of obligations or rights outside of the Project and this Project Agreement shall not be subject of automatic renewal or renegotiation without the express consent of all those affected by it.
- 7.03** Working under this Agreement shall not constitute voluntary recognition.

**ARTICLE 8.00**  
**NO STRIKE NO LOCKOUT**

- 8.01** The words "strike" and "lockout" in this Agreement and the Trade Appendices shall have the same meaning as in the *Labour Relations Act* of the Province of Newfoundland and Labrador. The parties agree that the Union will not cause a strike and none of the Contractors bound by this Project Agreement shall lock out employees engaged under this Project Agreement.

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**8.02** No Union or employee shall refuse to handle or install any material, equipment or components or to honour hot cargo edicts, or otherwise during the life of this Project Agreement.

**ARTICLE 9.00**  
**WAGES**

**9.01** The wages payable to the teamster warehouse person classification shall be as per Appendix "B" attached hereto. Any trade union(s) that may become signatory to this Project Agreement shall be provided a \$3.00 per hour increase to the gross hourly rate applicable as specified in that trade appendix.

**ARTICLE 10.00**  
**DURATION**

**10.01** The Project Agreement shall be for a term commencing on the date of its signing and shall cease to apply when the Lay Down Project site has been fully decommissioned expected to be at or around the time the work under management and administration of the Contractor ends.

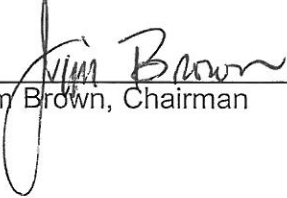
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**SIGNATURE PAGES**

Dated at St. John's, Newfoundland and Labrador, this 9<sup>th</sup> day of March 2011.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement the 9<sup>th</sup> day of March, 2011.

CONSTRUCTION LABOUR RELATIONS  
ASSOCIATION OF NEWFOUNDLAND AND  
LABRADOR INC.

  
\_\_\_\_\_  
Jim Brown, Chairman

TRANSPORT AND ALLIED WORKERS,  
TEAMSTERS, LOCAL 855

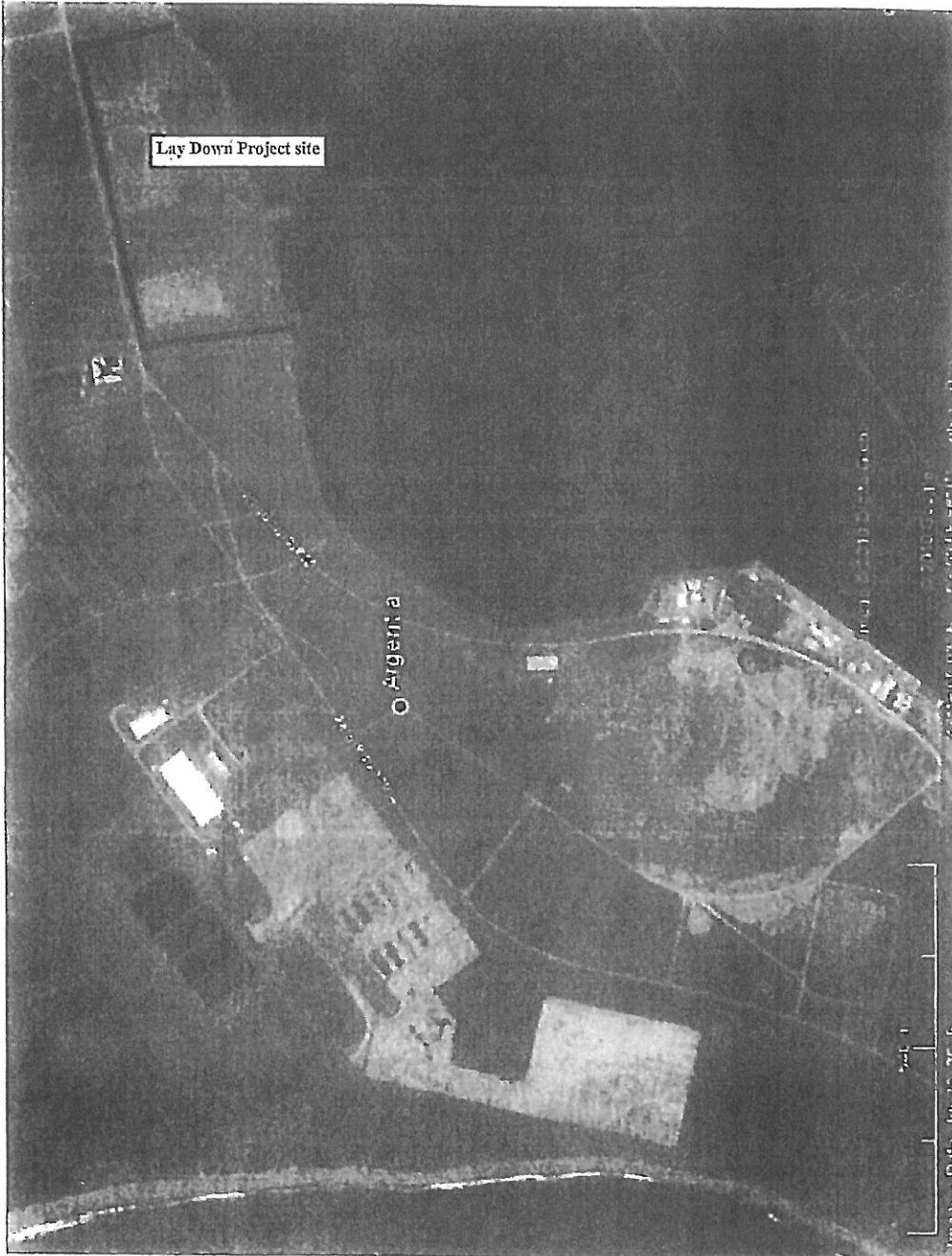
  
\_\_\_\_\_  
David Pearce, Business Manager

  
\_\_\_\_\_  
Jim Murray, Vice Chairman



APPENDIX A

GEOGRAPHICAL DESCRIPTION WITH DIAGRAM




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EXHIBIT 1

LIST OF ARBITRATORS

1. Morgan Cooper
2. David Alcock
3. John Clarke
4. Dennis Browne

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**TRADE APPENDICES**

Current Provincial Agreements for any signatory trade unions.

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