



**BOILERMAKER CONTRACTORS' ASSOCIATION
OF CANADA**

December 8, 2016

IMPORTANT NOTICE
BOILERMAKERS LOCAL 128 MEMORANDUM OF UNDERSTANDING

BCA of Ontario Member Contractor:

Attached please find the November 30, 2016 Memorandum of Understanding between the BCA and the IBB Local 128, which provides clarification on Article 20.00 Subsistence Allowance.

The Memorandum of Understanding will be posted to the BCA Website at www.bcacanada.ca for future reference.

Should you have any questions please do not hesitate to contact Marty Albright at (613) 299-4760.

B.C.A. / IBB & LOCAL 128 - MEMORANDUM OF UNDERSTANDING

AGREEMENT

BETWEEN:

**THE BOILERMAKER CONTRACTORS'
ASSOCIATION**

("BCA")

-And-

**INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON
SHIP BUILDERS, BLACKSMITHS, FORGERS AND HELPERS**

("IBB")

WHEREAS on June 5, 2012 the BCA wrote to the IBB instructing their locals not to dispatch permit workers that are not qualified to perform the work of a Boilermaker (letter attached)

AND WHEREAS during the 2016 round of bargaining the BCA and the IBB were faced with a challenge to ensure that there were adequate numbers of qualified craft workers available to supply manpower requirements of the contractors;

AND WHEREAS there are IBB members from specific out-of-work lists in Ontario willing to accept a dispatch to a job in another area out-of-work list however, the absence of an LOA was problematic;

AND WHEREAS in certain instances, although, not a requirement in the CBA, LOA was being paid at certain sites in order to supply the project with a full complement of craft workers;

AND WHEREAS the BCA negotiating committee seriously looked at various scenarios and benefits of introducing an LOA into the agreement;

AND WHEREAS those benefits consisted of the following:

1. Health & Safety – recognizing all stakeholders are advocates of safety and work in our industry for the most part is "safety sensitive" workers therefore workers with Trade Qualifications (TQs) are prepared to work safely.
2. Productivity / Quality – there is certainly a cost to the Owner when workers are dispatched to the job without a TQ to fill a dispatch, anyone can make the case for what the percent loss of productivity would be working with unqualified workers.
3. Cost – excel spreadsheet calculations were constructed for a typical outage with 30% of crew on LOA factoring in safety training of permit

workers and cost per hour for the Owner's loss of production for each day a shutdown is extended and the savings negate the cost of LOA.

4. IBB concessions, 50% name hire, reduction in show up time reporting payment due to inclement weather, reduction of duplicative training, improved language on welder qualification testing, improved make-up day language, and improvement to Tank Letter.

AND WHEREAS the language in the expired CBA at Article 20.00 – Subsistence Allowance, 20.02 a) through c), flowed to the MOA, it has caused interpretation and potential application issues related to the new language in the MOA at Article 20.00 and 20.02 d).

Expired Agreement language carried forward

20.02 For employees supplied or obtained from other sources, entitlement to subsistence allowance shall be as follows:

- a) When a travel card member has deposited their card in another Lodge area, and has solicited work from that Lodge List or an Out-of-Work List, they shall be considered to be a resident of that List area and shall be entitled to subsistence and travel time, or otherwise, on that basis.
- b) In other cases, where the Union supplies workers from other Local Lodges, without Employer consultation and agreement to the employees proposed, the Employer shall not be obliged to pay subsistence.
- c) Where the Employer obtains or supplies workers from other sources, or agrees to the Union's assistance in doing so, the Employer shall determine whether subsistence is to be paid; provided however that subsistence shall not be paid to any such employee unless they are required to maintain temporary living quarters away from their permanent residence.

Addition of new language to MOA

- d) ***Effective January 1, 2017*** - If the Union is unable to supply Boilermakers from the local hiring hall and the Union dispatches from another Out-of-Work list and the member dispatched maintains a primary residence that is greater than one hundred and fifty (150) road kilometers from the jobsite then that member shall receive daily subsistence per day worked.

Article 20.00 – Subsistence Allowance / new language in MOA agreed post bargaining

The parties agree that the following provision applies to short term high density shutdown work and every available qualified local area worker will be given the opportunity for referral before the order gets referred to another Boilermaker union office outside of the specific out-of-work list area requiring man-power. Also be advised that any Boilermaker referred under this provision will have all job ready dispatch safety requirements as stipulated in the collective agreement.

AND WHEREAS the parties to the CBA are desirable to finding a resolve to satisfy all stakeholders;

THEREFORE BE IT RESOLVED that the parties agree as follows:

1. Members of Local 128 out-of-work lists will have the first right of refusal to fill open calls for jobs in other out-of-work list areas within the parameters of Article 4.03 as follows:

After the Employer has requested the Union office to furnish workers to perform work within the scope of this Agreement, and the required number of workers are not furnished:

- a) within two working days in cities in which the Local Lodge maintains its Head Office, from that area;
 - b) within three working days in other areas; after the date for which the workers are requested, the Employer shall have the right to procure and retain until layoff the required number of workers from other available sources, provided that the Employer shall notify the Union office when exercising this right.
2. In keeping with Article 20.02 b) the IBB will discuss with the Employer any skill shortages in a particular out-of-work list area before dispatching from other Local 128 out-of-work lists.
 3. In keeping with Article 20.02 c) this shall be applied within the parameters of Article 4.03 above and to qualify for subsistence the required documentation under Article 20.02 d) must be supplied.
 4. This Memorandum of Understanding is incorporated as part of the Collective Agreement.

Dated at Toronto, this 30th day of November, 2016.

FOR THE EMPLOYER:

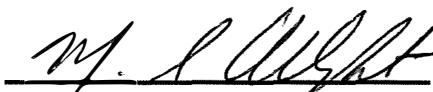
FOR THE UNION:



Sara Scott
Executive Director
Boilermaker Contractors' Association



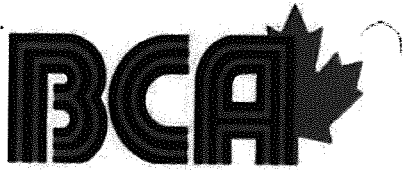
Joe Maloney
International Vice President
International Brotherhood of Boilermakers



Marty Albright
Director Labour Relations
Boilermaker Contractors' Association



Jenn Petronski
Business Manager/Secretary Treasurer
International Brotherhood of Boilermakers
Local Lodge 128



BOILERMAKER CONTRACTORS' ASSOCIATION

June 5, 2012

VIA EMAIL

Mr. Joseph Maloney
International Vice President
International Brotherhood of Boilermakers
10059 - 118 Street, #204
Edmonton, AB T5K 0B9

Mr. Ed Power
International Vice President
International Brotherhood of Boilermakers
115 Prince William St., Ste. 101
Saint John, NB E2L 2B4

Dear Sirs:

Re: Dispatch of 'Permit' Boilermakers

Boilermaker locals utilize a number of 'permit' workers in order to fill their dispatch orders when the Boilermaker local and travel card membership is insufficient to fill Contractor requests. This typically happens during periods of peak demand (for example turnarounds or shutdowns) or during a booming economy (which we are currently experiencing in a number of provinces). There have also been instances when a certain job may not be attractive to the local membership and the local has to dispatch permits to fill the Contractors' requests.

A number of BCA Contractors have identified situations where poorly qualified if not "unqualified" permit Boilermakers were dispatched to their jobs. This has created a variety of issues ranging from client complaints about paying full price for less than qualified personnel to impacting job quality and productivity as well as affecting project schedules and creating unsafe work situations.

We all recognize and appreciate the value of a fully trained and qualified Boilermaker. Our clients expect nothing less. We cannot continue to employ Boilermakers in name alone; they must be qualified and skilled at the Boilermaker trade. In these days of high demand for a skilled workforce, with many Employers competing for the skilled tradesperson, it is imperative that competent and qualified Boilermakers are dispatched to our jobs.

Our Contractors have an obligation as well to ensure that dispatched Boilermakers have the appropriate trade qualifications or required tickets to perform the work. We will be reminding our Member Contractors to be diligent in reviewing potential employees' credentials and to refuse to hire anyone who is not qualified to perform the work. Contractors will require Red Seal qualified Boilermakers or a Provincial Journeyman trade ticket in boilermaking and/or welding.


The Owner community has increasingly demonstrated their willingness to employ Contractors with alternative labour providers. How we continue to remain their Contractor of choice is by supplying them with qualified Boilermakers to perform the work safely, on time and within budget.

We need your assistance to deliver to their expectations and request that you inform all of your locals not to dispatch permit workers that are not qualified to perform the work of a Boilermaker.

This issue affects all of us negatively and impacts our reputations as well as the future of both of our organizations.

I would be pleased to meet and discuss this matter with you should you have any questions.

Sincerely,



David Galvin
President & CEO

cc: BCA Multi Board Chairman:

Roy Kendall

BCA of B.C. Chairman:

Eric Akelaitis

BCA Multi Board of Directors:

Roy Kendall, Marty Albright, Marc Beauregard, Gord Duggan, Tony Fanelli, Dave Ingram, Don McFarlane, Mike Pouliot, Hugh Tackaberry

BCA of B.C. Board of Directors:

Eric Akelaitis, Marty Albright, Paul Hucal, Dave Ingram, Roy Kendall, Mike Pouliot, Karl Thiessen

BCA Staff File

IBB:

Elaine Jackson, Kim Matthews

IBB Business Managers:

Kevin Chaisson, Ray Flaherty, Emile Gareau, Phil Halley, Arnie Stadnick, Michel Trepanier, Jim Watson

IBB International Representatives:

Cory Channon, Richard MacIntosh, Kent Oliver, Norm Ross, Jim Tinney, Guy Villemure

NTIF:

Jim Beauchamp, Grant Jacobs, Jonathan White