



National Maintenance Council for Canada
LEADERS IN UNIONIZED MAINTENANCE

August 15, 2016

Dear Brothers and Sisters:

In my letter dated July 26, 2016, I promised to keep you in the loop on the collective agreement renewal process. Today, I am writing because I have news. While we had expected a more prolonged process, our contractors indicated that they required a commitment to new terms and conditions for 2017 and beyond so they could submit their bids on a number of major Request for Proposals (RFP's) that are closing shortly. On August 11, we concluded our bargaining, and, as we expected when we entered these negotiations, it is largely reflective of the current economic climate within the province. I know this has been an uneasy summer for many of our members, so I wanted to get in touch with you as soon as possible to let you know the new terms of the agreement that will impact you.

The three-year Alberta National Maintenance collective agreement, will become effective January 1, 2017 and expire on December 31, 2019, designed to position our contracting partners and ourselves for success:

1. All overtime will be paid at time and one half (1 ½), and doubletime (2) paid after twelve (12) hours.
 - Unscheduled overtime will be voluntary.
2. The maintenance base wage rate within the entire province of Alberta will be established at seventy-five cents (\$0.75) under construction base rates plus one hundred percent (100%) of appropriate benefits.
3. When working overtime Benefits will be paid on hours worked; except for Health and Welfare Benefits for those who have it in their respective reference agreements.
4. Statutory Holidays will be observed on the day they fall and will not be moved into the regular work week for observance if they fall on an individuals' scheduled days off. If worked the employee will be compensated at time and one half (1 ½).
5. Work Ready Workforce (WRW) - Just as many of our competitors have already done, the Committee and the signatory employers have committed to working together to establish a WRW for all trades with a goal of achieving this by January 1, 2018.
6. State of the Industry Meetings - These will be held with our signatory employers/partners every six (6) months. Their purpose will be to keep an eye on the evolving economic situation so we can take steps to protect our interests. Hopefully, further changes are not necessary. Time, however, will tell.

As an alliance of thirteen (13) International Construction Unions of the Building Trades for the Building Trades, the General Presidents' Maintenance Committee for Canada/National Maintenance Council for Canada is wholly dedicated to protecting the

interests of our members'. We fight for you because we are you. The economic climate in Alberta, however, poses a significant and unique challenge. With fewer and fewer construction projects on the go, competition in our industry has never been more intense as open shop and non-signatory contractors look for employment opportunities for their craft personnel and to displace our employers within the maintenance industry. Making matters worse, our contractors face unprecedented pressure to get their costs in line with international cost structures and in line with the CLAC and open shop contractors. It is our understanding that if our bids are more than ten percent (10%) above those of our competitors, we are going to lose out each and every time. This is the reality we faced going into these negotiations.

We know these new terms and conditions will be disappointing to many of you, and we appreciate where you are coming from. You have a lot weighing on your shoulders. You have loved ones to support, mortgages to pay, and other responsibilities to tend to. We get that and we respect that, and those are the thoughts our Committee Members carried with them into the bargaining sessions. But we cannot lose sight of the larger picture. In order to keep as many of our members on job sites as possible, we have to be competitive in the immediate term and strengthen our position in the longer term. To do that, we have to make some concessions in the short term. If our contractors are not in a position to win contracts, we are not going to be in a position to provide jobs and opportunities for the members of the local unions in Alberta.

It was clear to the Committee during our negotiations that our contractors have a great deal of respect for you and your work. Through your professionalism and unparalleled craftsmanship, you have distinguished yourselves as the best in a field of tough competitors. And that is why they wanted to find a way to continue working with you. We believe the terms of this agreement will allow us to continue to partner with our employers and to do what we do best – build and maintain the utility and energy infrastructure that powers Albertans' lives and Canada's economy.

The changes I detailed above will be captured in an Extraordinary Memorandum of Understanding, which will expire with the collective agreement at the end of 2019. Our members will have an opportunity to review this MOU for themselves shortly. As soon as the drafting process is complete, we will be sending copies to your Business Managers. (Please note that it is anticipated that the changes negotiated for the Alberta NMA will be incorporated into the site-specific General Presidents' Maintenance Agreements and become effective January 1, 2017 as well. Discussions are being scheduled with our GPMA Employers this fall).

At this juncture the International Brotherhood of Boilermakers Canada will not be participating under the new collective agreement as of January 1, 2017. As a valued member of our General Presidents' Maintenance Committee for Canada & National

Maintenance Council for Canada family, I want to ensure you that we are hopeful that a solution can be found to have them participate with us in the near future.

If you have any questions, comments, or concerns, please send them to inquiries@gpmccanada.com. As we navigate these uncharted waters, your direction and feedback have never been more important or as greatly appreciated. I will provide a further update in the fall that answers the questions and addresses the concerns you may have.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brett McKenzie". The signature is stylized with a large "B" and "M" and a long horizontal stroke extending to the right.

Brett McKenzie
Executive Director
General Presidents' Maintenance Committee for Canada
National Maintenance Council for Canada