

LETTER OF UNDERSTANDING

by and between

**Construction Labour Relations - An Alberta Association
Carpenters (Provincial) Trade Division
(the "Association")**

and

**Alberta And Northwest Territories (District Of Mackenzie) Regional Council Of
Carpenters And Allied Workers**

[hereinafter referred to as the "Regional Council"]

on its own behalf, and on behalf of:

**United Brotherhood Of Carpenters And Joiners Of America,
Local # 1325, Edmonton**

and

Local # 2103, Calgary

**(each of which Unions is hereinafter referred to as
the "Union" or the "Local Union")**

United (the "Union")

Re: Compensation for Industrial Employees Drawing Pension Payments

Whereas the Parties have entered into a Collective Agreement which shall remain in effect from June 7th, 2015 to April 30th, 2019 as set out in the said Collective Agreement, and

Whereas the Parties jointly desire to facilitate the ongoing employment of persons who are who are age sixty and drawing pension benefits from the Pension Trust Funds referenced in Article 19.00 of the Collective Agreement, and to provide equitable compensation for such persons,

Now Therefore It Is Agreed As Follows:

Notwithstanding any provision of this Collective Agreement, if an Employee who is a Union Member is engaged in employment for which the Employer's contributions are to be made to the ACAW Pension Plan, and the Employee is both sixty (60) years of age or older and is receiving a pension from the ACAW Pension Plan, the Union Member may make an application to his/her Employer to have future pension contributions which would otherwise be payable by the Employer to the ACAW Pension Plan to be paid as wages (including Holiday and Vacation Pay) directly to the Employee by the Employer. The wage rate for the Journeyman, when this provision applies, are those rates attached to this Letter of Understanding and will be amended when necessary as a consequence of changes to the base rates determined by the "Wage Determination" provisions of this Collective Agreement. When applicable the Foreman and General Foreman Premium shall be added to the Journeyman rate referenced above. This Letter of Understanding does not apply to Apprentices.

The Member, before making an application to his/her Employer must obtain from the Offices of the ACAW Pension Plan a Retirement Acknowledgement signed by two (2) senior officers of the ACAW Pension Plan indicating the Member is sixty (60) years of age and in receipt of an ACAW Pension Plan monthly pension. Upon presentation of an original Retirement Acknowledgement duly signed the Employer may accept the application of the Member. The Employer may then only pay contributions to wages as provided for in this Letter of Understanding. Once accepted by the Employer, this payment alteration cannot be revoked by either party during the specific period of employment that it was approved and agreed for.

In no event will this create a greater gross hourly rate of compensation for the Employee paid by the Employer nor will it increase the Employer's total payroll burden due to changes in the wages which would result in greater Employer statutory contributions (CPP, EI, WCB). Accordingly increases in statutory contributions will be offset by reducing the amounts paid in Wages.

If approved by the Employer, the Employer will enact the provisions of this article and its effective date within three (3) weeks of receiving the original Retirement Acknowledgement.

Upon approval of the Employee's application by the Employer for payment of the pension contributions as wages to the Employee, and upon receipt by the Employer of the original Retirement Acknowledgement, the Employer shall be relieved of any obligation under the Collective Agreement to remit future pension contributions to the ACAW Pension Plan for that approved Employee.

The provisions of this Letter of Understanding shall create no responsibility or liability on the Employer or the Union to the ACAW Pension Plan in respect of application of this Letter of Understanding.

1. Those Employees who have been approved in accordance with this Letter of Understanding will be paid in accordance with the Wage Schedule below when implemented by the Employer:

Effective Date	Base Wage	Hol. & Wage	V.P.	Total			Wage
				H & W	Pension	Training	
Journeyman							
7-June-15		46.78	4.68	1.60	0.00	.55	53.61
1-Nov-15		46.78	4.68	1.60	0.00	.55	53.61

2. Forthwith after wage adjustments are calculated in accordance with the Letter of Understanding respecting Wage Determination, the above schedule shall be updated.

Should Employer Pension Contributions be adjusted during the life of this Collective Agreement, 80% of the contribution adjustment will be divided appropriately between the Base Rate and the Holiday and Vacation Pay.

3. This Letter of Understanding shall be attached to and part of the Collective Agreement between the Parties hereto.

Signed this 27 day of JANUARY, 2016, by and between:

**Construction Labour Relations -
An Alberta Association
Carpenters (Provincial) Trade Division**




R. Neil Tidsbury
President

**United Brotherhood of Carpenters
and Joiners of America
Local Union #1325**



Mike Dunlop
President

**United Brotherhood of Carpenters
and Joiners of America
Local Union #2103**



Paul Zarbatany
President

**Alberta and Northwest Territories
(District of MacKenzie) Regional Council
of Carpenters and Allied Workers**



Martyn A. Piper
Executive Secretary Treasurer