

**SPECIAL PROJECT NEEDS AGREEMENT  
FOR THE MODULAR ASSEMBLY YARDS**

**ENTERED INTO THIS 1<sup>st</sup> DAY OF MAY, 2017**

BY AND BETWEEN:

**THE COORDINATING COMMITTEE OF REGISTERED EMPLOYERS' ORGANIZATIONS**

(hereinafter referred to as "the Coordinating Committee")

On Behalf of the REOs in Schedules A through P and such additional REOs that agree with their counterpart Unions to be bound by this Agreement

and

**THE BUILDING TRADES OF ALBERTA**

(hereinafter referred to as "the Council")

On Behalf of the Trade Unions in Schedules A through P and such additional Unions that agree with their counterpart REO's to be bound by this Agreement

(Collectively, hereinafter referred to as "the Parties")

**Whereas** certain contractors represented by the Coordinating Committee are engaged in the operation of off-site modular assembly facilities that assemble construction modules for transportation to, and installation on, a variety of construction sites in the Province of Alberta and beyond;

**And Whereas** this specialized format of construction activity has unique characteristics that differentiate it from other methods of construction;

**And Whereas** it is the intent of the Parties to enter into the following Agreement which recognizes the unique nature of this construction format and is intended to assist the Parties with more effective organization and management of such facilities to the benefit of both Parties;

**And Whereas** the Coordinating Committee and the Council have entered into this Agreement on behalf of the Employers' Organizations and the Local Unions as set out below;

**And Whereas** it is the expressed intention of all of the Parties hereto that the execution of this Agreement in no way detracts from the bargaining authority of any Employers' Organization or any group of Trade Unions pursuant to a Registration Certificate or otherwise, nor does it in any way act as a surrender of any bargaining authority that any such group may hold.

**Now Therefore it is Agreed** that the Council, the Coordinating Committee, the Employers' Organizations, and the Local Unions have based on the mutual understandings set out above, entered into the following terms and conditions of employment.

**1. Scope and Definitions:**

This Agreement shall only apply to work carried on in modular assembly facilities. A modular assembly facility shall be defined as an outdoor fabrication/assembly yard with or without permanent buildings and/or temporary shelters/hoardings where structural steel frames are erected and fitted with piping, valves, electrical trays, or other industrial material and equipment for the purpose of prefabricating components of larger industrial systems that are then transported to a construction site and joined together to form components of a mechanical/electrical system. These modular assembly facilities are usually, but not necessarily, situated on or in close conjunction with a pipe spool fabrication shop. Any current modular assembly work being performed under previous terms and conditions will be completed under such terms and conditions and will not be affected or changed by this Agreement.

**2. Duration:**

This Agreement shall become effective on the first day following the signing of this Agreement by both the Coordinating Committee and the Council for all trades which the Special Projects Needs Provisions included in their Collective Agreements, allows for approval of enabling provisions without ratification. For other trades, this Agreement shall become effective on the date on which the Union can lawfully execute this document by other means available to them.

This Agreement will remain in effect until the expiry of the current Collective Agreements between the Parties which are due to expire in April 30, 2019 or the conclusion of any module assembly project that was initiated under this Agreement, whichever date is later. Parties agree that the work to which this Agreement applies shall continue without interruption by strike, lock-out, work slowdowns, or any other action designed to limit output. This Agreement may be renewed for the term of subsequent Collective Agreements by agreement of the Parties hereto.

As collective bargaining, pursuant to a Registration Certificate or otherwise, may take place in the construction industry which will affect terms and conditions of employment, save and except where the same are provided for in this Agreement, such variations in the resulting Provincial Construction Collective Agreement shall apply to the Project. Any applicable changes will be effective for the purposes of this Agreement as and when such changes become effective pursuant to the resulting Collective Agreement.

In the event a referenced Provincial Construction Collective Agreement ceases to be in effect, then the applicable provisions of the most recent Provincial Construction Collective Agreement shall apply, until such time as a renewal agreement is entered into by the Employers' Organization and the group of Trade Unions or the successors of either.

Each Employers' Organization and each counterpart group of Trade Unions undertake to propose to the other and to agree with the other that this Agreement will be attached to and form part of the Provincial Construction Collective Agreement that will be concluded pursuant to any round of construction collective bargaining entered into or initiated during any period of the duration of this Agreement.

Each Registered Employers' Organization and group of Trade Unions understand that representatives of the Coordinating Committee and of the Council together may negotiate changes to this Agreement. The said changes shall be approved after ratification by both the Coordinating Committee and the Council, be applicable pursuant to this Agreement. Such ratification shall be through whatever ratification process the Coordinating Committee and the Council each shall determine.

**3. Harmony Provisions:**

It is agreed that the terms of the respective Construction Collective Agreements between the Parties shall apply except as specifically modified by the terms of this Agreement.

**4. Liaison Committee**

A Liaison Committee shall be established and shall meet on an informal basis at the request of any of the Parties bound by this Agreement, to discuss matters of mutual interest pertaining to the Project and/or this Agreement, with the objective of promoting and maintaining beneficial relations and cooperation between the parties, and of ensuring the achievement of the purposes of this Agreement.

**5. Composite Crews:**

A contractor operating a modular assembly facility may assign work to a composite crew consisting of workers from those trades ordinarily assigned the work. Crews will consist of workers from the relevant trades in roughly the same proportion as there is work under their jurisdiction on the average module under construction. A worker on the crew may be assigned to perform any work on the modular assembly that they are competent to perform, provided that any work which requires a ticket or a particular qualification to perform is conducted in accordance with all Alberta Government Regulations. It is understood that this provision will apply in most instances to work involving Structural Ironworkers and the United Association. Where the work involved is primarily piping work the supervision of the work will fall to a United Association supervisor and where the work involved is primarily structural ironwork then supervision of the work will fall to an Ironworker supervisor. This is not to be construed under normal modular assembly facility conditions as the Employers' prerogative to assign employees out of their regular trade classifications. The unions are in agreement with the premise that modular assembly facility workers will be kept gainfully employed at productive work. Where other trades are involved in composite crews, this provision may be applied by the contractor/subcontractor that employs those trades.

Prior to the contractor/subcontractor implementing composite crews there shall be an agreement with the appropriate union representatives as to composition of the crew and the distribution of the work assignment to the workers. Such agreement will not be unreasonably withheld. The decision to use composite crews will be made at the senior site management level of the contractor and not field supervision. It is further understood that the intent of this article is for short term situations and/or small projects with limited manpower.

If members of any union disagree with the composite crew arrangements in regards to not being provided their appropriate proportion of work on that site pursuant to established jurisdictional practice, they may use the following procedure to remedy the situation:

- a. Workers will advise their onsite Union Steward of their concerns regarding the composite crew ratios. The Union Steward will then contact their Local Union's Representative.
- b. The Union Representative will contact the Contractor's Site General Superintendent and try to resolve the dispute, or meet with the Contractor's Site General Superintendent to evaluate and resolve any disputes arising from the use of composite crews.
- c. The Contractor Site General Superintendent will meet and evaluate the need to include the other unions that make up the composite crew.
- d. If the dispute is not resolved within two (2) working days, the contractor's Labour Relations Representative will meet with union management to resolve the issue.
- e. If no agreeable adjustment can be made to remedy the situation then either union involved may give forty-eight (48) hours' notice of a request to have a peer review consisting of a minimum of four (4) members of the Liaison Committee which is of equal representation from the union and contractors/subcontractors group.
- f. The Liaison Committee must meet and give a decision within five (5) days of the request of a review by the Union. Failing which, the Union reserves the right to suspend the use of composite crews until a decision is provided.
- g. If there are three (3) or more occurrences where an affected union has required an adjustment in their favor, the affected union may suspend the further use of composite crews for their affected members with two (2) working days' notice for the duration of that contractors/subcontractors project and their affected employees will return to working under their usual trade jurisdictional practices.

It is understood that the above procedure does not affect any union's rights to pursue a complaint under the Jurisdictional Assignment Plan of Alberta. The application of this article and/or decisions under this article will not be used as evidence in any jurisdictional dispute proceedings.

## **6. Fabrication Shop Workers: (UA only)**

Where a modular assembly facility is established in conjunction with a pipe spool fabrication shop, workers who are employed in that facility may be engaged on a temporary basis to assist with work in the modular assembly facility. Such workers must be competent and qualified to perform the work in question. While engaged in such work, employees of the pipe spool fabrication shop will continue to be paid in accordance with the terms and conditions of the pipe spool fabrication shop collective agreement and will receive the same rate of pay as they receive in their usual pipe spool fabrication shop position. Workers eligible for transfer must have worked in the pipe spool fabrication shop a minimum of thirty (30) days and must be members of the Local Union. No layoffs may occur to facilitate such a transfer and the affected union must be notified in advance of the transfer. Pipe spool fabrication shop workers will be transferred back to the pipe spool fabrication shop prior to lay-offs occurring in the modular assembly facility in their trade skill set.

**7. Technological Changes:**

Where new technology can be utilized in a modular assembly facility and there are workers in the pipe spool fabrication shop who are familiar with this technology, such as advanced welding equipment, then the workers from the pipe spool fabrication shop may be utilized in the modular assembly facility to operate this equipment or utilize these advanced techniques subject to the transfer conditions contained in Article 6 above. It is expected that they will assist with training modular assembly workers to utilize the new technology if feasible.

**8. Union Performance Programs:**

The appropriate unions and contractors/subcontractors will work together to implement programs such as the Pride and Performance program, or Standards for Excellence programs to enhance site performance policies.

**9. Core Crews:**

Each contractor/subcontractor that has a modular assembly facility or performs work in a one may be permitted to have a number of employees designated as a “Core Crew”. In order to be designated as “Core Crew” the person must be: (1) a long-term employee of the company (with at least three (3) consecutive months of employment); or (2) an employee with special skills; or (3) supervision which are essential to the success of the modular assembly facility operations and be a member of the appropriate Local Union.

The number of the “Core” employees will be negotiated with the appropriate Union and shall be part of the Agreement once signed by the contractor/subcontractor and the applicable Union.

The list of names of the designated “Core Crew” will be provided to their respective Unions and may be name hired without being considered as part of the allowed ratio of name hires or transfers under existing terms of the workers applicable Collective Agreement. These designated “Core Crew” employees may, with prior approval of the Business Manager or his designate of the appropriate Union, be transferred to a pipe spool fabrication shop or field construction site being undertaken by the same company. Those transferred may not be used to displace existing workers already working at the location to which they are being transferred and will be transferred back to the modular assembly facility prior to lay-offs occurring in the pipe spool fabrication shop or the construction site that they were transferred to, according to their trade classification (or skill). Approval of such transfers will not be unreasonably withheld.

**10. Work Schedules:**

Where it is necessary to establish work schedules (cycles) other than those contained in the standard Provincial Construction Agreements, one of the schedules below may be established at a modular

assembly facility. Work Cycles A or B below may be established at the discretion of the contractor. These work schedules must be available for a minimum of two complete work cycles if not affected by a layoff of a portion of the workers or the entire workforce.

- a. A four (4) day at ten (10) hours per day compressed work week schedule may be worked on the basis of either Monday to Thursday or Tuesday to Friday. This can be set up so that a portion of the crew works one of the optional schedules while the balance of the crew works the other option to provide for five (5) day per week coverage. Where this schedule is being worked and a worker misses time during their regular week due to a pre-approved absence, the worker may request to work the Friday or the preceding Monday providing the day worked in lieu of is in the same pay period. Provided there is work available on that day, such a request will not be unreasonably denied. Time worked pursuant to such a request will be paid at regular straight time rates up to a maximum of forty (40) hours paid at straight time in the same pay period of a work week. Where a worker is assigned to work overtime, all hours worked will be paid at time and one half. Any Statutory Holiday will be observed on the day it occurs and will not be moved and if worked, all hours will be paid at time and one half. All benefits will be paid on hours worked or as per attached wage appendices.
- b. A ten (10) on and four (4) off work schedule can be implemented with the starting day of Tuesday working through to the Thursday of the following week. Tuesday through Friday of the first week will be paid at straight time rates for up to ten (10) hours worked per day and Monday through Thursday of the following week will also be paid at straight time rates for up to ten (10) hours worked per day. Hours worked in excess of ten (10) in a day or on Saturdays or Sundays will be paid at time and one half. Hours worked on the Friday or the Monday of the four (4) days off will be paid at time and one-half unless worked under conditions noted below. Where this schedule is being worked and a worker misses time during their regular week due to a pre-approved absence, the worker may request to work the Friday of their four (4) days off or the preceding Monday providing the day worked in lieu of is in the same pay period. Provided there is work available on that day, such a request will not be unreasonably denied. Time worked pursuant to such a request will be paid at regular straight time rates up to a maximum of forty (40) hours paid at straight time in the same pay period of a work week. Where a worker is assigned to work overtime all hours worked will be paid at time and one half. Any Statutory Holiday will be observed on the day it occurs and will not be moved and if worked, all hours will be paid at time and one half. All benefits will be paid on hours worked or as per attached wage appendices.

A contractor may consider “Flex Time” for some members of the crew to accommodate those individuals requesting work to a limit of forty (40) straight time hours a week. This will effectively allow individuals to work an “A” work schedule noted above while the balance of the crew is working a “B” work schedule. This must be requested in writing and will only be approved once in an employment cycle. Barring operational needs, consent shall not be unreasonably denied.

**11. Two – Thirty Minute Break Option for a Ten Hour Work Day**

When ten (10) hour shifts are worked, in lieu of the work breaks and lunch breaks provided for in the applicable collective agreements, the employer shall have the option of scheduling two (2) breaks of one half (1/2) hour each, approximately equally spaced in the ten hour shift. The first break shall be unpaid. The second break shall be paid at applicable rates. Where necessary, a break may be moved to accommodate operational needs. In the event an employee is not able to take a break, the employee shall be paid an extra thirty (30) minutes at time and one half for each missed break. The employee will be given a break as close to the regularly scheduled break as possible. The moving of these breaks may be done on an emergency basis only and shall not be implemented on a regular recurring basis. This option shall not be applicable to compressed work weeks for which work days are regularly scheduled in excess of ten (10) hours. A change in scheduling of the breaks will normally be communicated to the affected employees prior to the end of the work cycle before the change.

**12. Working Foreman**

Where crews consist of six (6) tradesmen or less, the foreman shall be designated as a working foreman until such time as the crews size increases exceeding six (6) non-inclusive of the foreman and paid at the foreman rate unless otherwise contained in their respective collective agreements.

**13. Apprentices**

In the hiring of apprentices, the contractor/subcontractor will endeavor to maintain a minimum ratio of twenty (20) % of journeyman to apprentices employed at the facility, on work that has more than fourteen (14) journeyman employed in a single trade.

**14. No Bargaining Relationship for Contractors and/or Subcontractors**

It is understood by the parties hereto that no bargaining relationship is created by the contractor and/or the subcontractor or any subsidiaries and affiliations and their successors, with the Local Union, the Council, or any affiliate of the Council, by voluntary recognition or by action of law pursuant to Section 176 of the Alberta Labour Relations Code through the operation of this agreement or participation in the processes set out herein.

**15. Wage and Benefit Schedules**

As per attached wage and benefit schedules.

**16. Participating Unions and Registered Employer’s Organizations**

This Agreement shall apply to the following groups of Trade Unions and Registered Employer’s Organizations that regularly participate in work on modular assembly facilities;

Signed this 1<sup>ST</sup> day of May, 2017, in the City of Edmonton,

**On behalf of the Coordinating Committee of Registered Employers’ Organizations:**

Per:

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Per:

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**On behalf of the Building Trades of Alberta:**

Per:

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Per:

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