

Collective Agreement Negotiations 2016

Between
Finning (Canada), a Division of Finning International Inc.
And
International Association of Machinists and Aerospace Workers - Local Lodge 99

Dated for Reference: March 16, 2016

The company has put forward a comprehensive proposal package with a number of clarity, clean-up and discussion related topics. These included but are not limited to:

- Temporary transfer language
- Overtime distribution
- Apprenticeship training and support and Think Big Letter of Understanding
- Travel time for training clarification

However, the company's package can be summarized into 2 main priority areas – Cost and Flexibility.

COST – PRIORITY PROPOSALS

The company's package includes concession proposals, with reductions to benefits, premiums and wage related articles and LOU's. The reduction of labour cost in the oil sands is a significant priority. The list of concessions includes:

- Sick Time – cap of 5 days per year
- Short-Term Disability – plan benefits and duration
- Oil sands Costs – including base wage rates (10% reduction), Regional wage rate (5% reduction), Inconvenience pay (ICP) elimination, housing allowance (\$150/month reduction)
- Continuous Shifts – Reductions to premiums (\$1.00)
- Other – Regional Wage Allowance and housing costs reductions
- Base wage reductions – 4% reduction

FLEXIBILITY – PRIORITY PROPOSALS

The company has also tabled proposals to increase flexibility in managing the workforce, including:

- Seniority – Facility seniority for the purposes of layoff
- Shift Schedules – 5x2 in conjunction with continuous shift in select locations
- Layoffs – operational ease by not paying severance immediately
- Top 10% - reducing burden on smaller facilities and customer sites
- General – other proposals to address ease of changing shifts or moving employees due to short term increase/decrease workloads

This company wishes to negotiate a new collective agreement that is reflective of the current economic situation.