Maintenance Contractor Is Still on the Hook for Training Bonus



Vale, a food processing plant hired Pennecon, a contractor to perform maintenance on machinery at the site. Pennecon's collective agreement required Pennecon to pay maintenance technicians a mentoring bonus to 'mentor, coach and train Vale employees in maintenance operations, as well as each other.' But a few years into their contract, Vale told Pennecon that its workers no longer needed mentoring. As a result, Pennecon stopped paying the mentoring bonus. The arbitrator upheld the union's resulting grievance, reasoning that the words 'each other' implied that the bonus wasn't limited to mentoring Vale employees. Pennecon appealed but the Newfoundland court ruled that the arbitrator's interpretation was reasonable and refused to overturn it [Pennecon Maintenance Services Limited v. Fish, Food & Allied Workers, 2021 NLSC 141 (CanLII), October 29, 2021].