



(1999-2004)

**IRON ORE COMPANY
OF CANADA**

AND



UNITED STEELWORKERS

OF AMERICA

LOCAL 6731

**LABRADOR CITY,
NEWFOUNDLAND & LABRADOR**

THIS AGREEMENT made this 4th day of May, 1999

BETWEEN

IRON ORE COMPANY OF CANADA, a corporation duly incorporated according to the Law to carry on business in the Province of Newfoundland – Labrador hereinafter called <<the Company>>

OF THE FIRST PART,

AND

UNITED STEELWORKERS OF AMERICA (Local 6731), a voluntary non-incorporated organization of employees hereinafter called <<the Union>>,

OF THE SECOND PART,

WHEREAS by a certificate issued by the Newfoundland Labour Relations Board, dated the 1st day of June, 1965, the Union is certified as the bargaining agent for <<all warehouse employees employed by the Company at its Carol Project, Labrador City save and except supervisor, assistant supervisor and those above the rank of Supervisor, office personnel and employees covered by the order of certification issued to United Steelworkers of America, (Local 5795) on October 14, 1959>>.

NOW THIS AGREEMENT WITNESSETH that the parties hereto mutually agree as follows:

ARTICLE I

PREAMBLE

1.01 - The present Agreement is for the purpose of setting wage rates, hours of work and other working conditions as set out in this Agreement.

ARTICLE II

SCOPE OF THE AGREEMENT

2.01 - The words <<employee>> or <<employees>> wherever used in this Agreement shall mean respectively any employee or employees included in the decision of the Newfoundland Labour Relations Board dated the 1st day of June 1965.

2.02 - The words <<student>> or <<students>> wherever used in this Agreement shall mean respectively any person or persons who have been admitted to a college or university and are employed by the Company during the regular holiday period of the institution to which they have been admitted for study.

2.03 - The Company agrees that employees excluded from the bargaining unit will not perform bargaining unit duties for the purpose of reducing the normal work of the bargaining unit; it is understood that the similarity of work and office equipment used by both groups creates duplication of duties.

The parties agree that the most important criterion in determining whether or not work should be considered as falling within the scope of management personnel is the purpose of the work carried out rather than how the work is done.

If supervisory personnel or other employees excluded from the bargaining unit perform work in violation of this paragraph and the employee and the work can reasonably be identified, the Company shall pay a grievor working in the same classification in the bargaining unit the applicable standard wage for the time involved or for four (4) hours, whichever is greater. The Union will be advised of such payment.

ARTICLE III

MANAGEMENT RIGHTS

3.01 - The Union recognizes the right of the Company to operate and manage its business in all respects in accordance with its commitments and responsibilities. The hiring of employees, the location of the plants and offices, the direction of the working forces, the scheduling of working hours and production, the methods and processes

used, the right to decide on the number of employees needed by the Company at any time, and the right to use improved or changed methods, machinery and equipment, and jurisdiction over all operations, plant and office machinery, tools and employees at its mines, plants and offices, are solely and exclusively the responsibility of the Company, except as specified by the terms of this Agreement.

3.02 - The Company has the right to make and alter from time to time reasonable rules and regulations to be observed by the employees. New or modified rules and regulations of general application shall be published ten (10) days after being sent to the Union by registered mail or e-mail. At the request of the Union, a meeting to explain and discuss these rules and regulations will be held not later than five (5) days before they are put into effect.

3.03 - The Union acknowledges that it is the function of the Company to promote, classify, train, test, transfer and schedule employees, and also the right of the Company to suspend, demote, discipline or discharge any employee for just and sufficient cause. Any exercise of the rights and functions specified in this paragraph and in Paragraph 3.02 in conflict with any of the provisions of this Agreement shall be subject to the provisions of the grievance procedure set forth in Article VII and Article X.

ARTICLE IV

RECOGNITION OF THE UNION

4.01 - The Company recognizes the Union as the exclusive bargaining agent for all employees in the bargaining unit above described.

4.02 - All employees covered by this Agreement must pay dues as indicated in Paragraph 4.04 a) whether or not they wish to become a member of the Union.

4.03 - The Company and the Union agree that no employee and no member of the family of any employee, shall in any manner be discriminated against or coerced, restrained or unduly influenced on account of membership or non-membership in any labour organization, or by reason of any activity or lack of activity in any labour organization, or by reason of race, creed, colour, sex, age, political or religious beliefs or personal prejudice.

4.04 a) - The Company will deduct monthly from the earnings of each employee dues authorized by the constitution of the United Steelworker of America and remit to the financial secretary of the Union by the 15th of the month following deduction.

4.04 b) - The Union agrees to indemnify the Company of any recourse in damages or otherwise against the Iron Ore Company of Canada for making the above deduction and payments during the term of this Collective Agreement.

4.04 c) - Errors in deductions will be corrected on the next payroll. If the employee has terminated in the interim, the Company will be held responsible for reimbursing the correct dues for that employee to the Local.

4.04 d) - New bargaining unit employees will sign an authorization for the deduction, as per the constitution of the United Steelworkers of America.

4.04 e) - Each month, the Company will furnish the Union with a list showing the employees who have been hired, terminated, laid off, recalled or transferred out of the bargaining unit, and the dates on which employees have been recalled or laid off. Such list will indicate the name, badge number and occupation of the employees concerned. In the case of employees who have been hired, the Company will furnish the Union with the hiring date and local address; changes of address will also be supplied.

4.05 - There will be no Union activities on Company time or Company work area, except as provided in this Agreement.

4.06 - If the Union desires to post notices with the exception of notices of convocation of meetings and of the list of officers, they shall be first submitted to the management for approval. Neither the Company nor the Union shall make any change in such notices thereafter. Bulletin boards will be provided by the Company for notices and no notice shall be posted except on such boards.

4.07 a) – During the life of this Agreement, the Company will grant leave of absence without pay to employees for the purpose of attending Union courses, conventions, conferences and committee meetings. Such leave, if granted, shall not exceed an aggregate of ten (10) weeks (70 days) in any year, and, in order not to interfere with the efficiency of operations, no more than two (2) employees will be granted leave at a time. The Union agrees to give at least one (1) week’s notice in writing to the Company requesting such leave and designating the employees for whom it is desired. Such leave will not be arbitrarily denied. Request for three (3) days or more must be submitted to the Employee Relations Department. Requests for less than three (3) days must be taken to the Department Supervisor and the employee involved must obtain permission from this person.

4.07 b) – Leave of absence without pay will be granted for the purpose of instructing at Union sponsored courses for IOC and QNS&L employees and the time will not exceed an aggregate total of ten (10) weeks per year for all IOC & QNS&L bargaining units combined.

4.08 – Number not used.

4.09 - The Company will grant leave of absence without pay during the life of this Agreement for the purpose of working full time for the International Union, the Newfoundland and Labrador Federation of Labour or the C.L.C. under the following conditions:

4.09 a) - not more than one (1) employee may be on such leave at one time;

4.09 b) - the leave must be for a period of not less than two (2) months or for not more than the life of the Agreement;

4.09 c) – not more than three (3) such leaves will be granted;

4.09 d) - the Union agrees to give at least two (2) weeks' notice, in writing, requesting such leaves or extensions thereof;

4.09 e) - it is understood that request for such leaves or extensions thereof will not be arbitrarily denied, however, the efficiency of operations must be taken into account.

4.10 - Regular scheduled shifts lost by employees for authorized leave of absence on Union business will count as shifts worked for the purpose of computing overtime. Overtime hours refused by employees on account of Union business will not be debited under the provisions of Paragraph 11.04.

ARTICLE V

PROBATIONARY EMPLOYEES

5.01 - A probationary employee is one with less than forty-five (45) calendar days employment since his/her most recent date of hire. He/she shall have no seniority rights under this Agreement and the Company shall be free to release such a person.

He/she may discuss with management a complaint, including termination, at a meeting with the assistance of the Union if he/she so desires.

5.02 - If after forty-five (45) calendar days' employment since his/her most recent date of hire, his/her services are satisfactory in the opinion of the Company, the employee's name shall be placed upon the Company seniority list as of the date of his/her first shift since his/her most recent date of hire.

5.03 - If a probationary employee is rehired within one (1) year of termination, he/she will be allowed to count the last accrued period towards completion of his/her probationary period.

ARTICLE VI

SENIORITY

6.01 – Seniority shall be the length of continuous service in the Labrador City bargaining unit, Local 6731.

6.02 – Number not used.

6.03 – Number not used.

6.04 – Number not used.

6.05 – Number not used.

6.05 b) - In cases of layoff, jobs directly affected by the curtailment of work will be identified by posted notices at least fourteen (14) days prior to the curtailment. If such notice is not given, the Company will reimburse the affected employees for the regular shifts they would have worked had such notice been given. Any delays of three (3) days or less caused by the displacement procedures or by emergencies or reasons beyond the control of the Company shall not be subject to the grievance procedure. Copy of the fourteen (14) day notice will be sent to the Union.

6.05 c) - In cases of layoff, the junior employee according to 6.01 in the job so affected will be laid off.

6.05 d) - For the purpose of this Agreement, a layoff is defined as a reduction in the number of regular employees in a job for a period of time greater than three (3) days, excluding Saturdays, Sundays and holidays.

6.05 e) - In cases of recall, the procedures in Paragraph 6.05 c) will be followed in reverse.

6.06 - Number not used.

6.07 - Number not used.

6.08 a) - Number not used.

6.08 b) - Number not used.

6.08 c) - Number not used.

6.08 d) - Number not used.

6.08 e) - Layoff shall not constitute a termination provided that the employee notifies the Labrador City Personnel Office within five (5) days of the date of receipt of the recall notice, advising whether or not he/she intends to accept. If the employee advises that he/she accepts he/she will be obligated to return to work within fifteen (15) days of notice of recall.

6.08 f) - An employee recalled to work for a period of less than forty-five (45) days may refuse such a recall. The employee who refuses such a recall will keep all rights to subsequent recall. Due to the details involved, the Company will not be liable for any financial obligation as a result of errors arising out of the administration of this paragraph.

Termination

6.09 - An employee shall be terminated for any of the following reasons:

6.09 a) - if the employee quits;

6.09 b) - if the employee is discharged for just and sufficient cause and is not reinstated pursuant to the provisions of the grievance procedure;

6.09 c) - if the employee is absent without leave for a period of three (3) consecutive scheduled shifts of work, which case shall be construed as a quit as of the day before the commencement of such absence, unless the reasons which prevented the employee from requesting such leave of absence are judged valid by the Company;

6.09 d) - number not used;

6.09 e) - layoff by the Company due to curtailment of operations for sixty (60) consecutive months;

6.09 f) - if an employee is unable to return to work within thirty-six (36) months of the commencement of his/her non-compensable sickness, injury or other disability, in the case of an employee who has less than two (2) years' service;

6.09 g) - if an employee is unable to return to work after exhaustion of Company Long Term Disability benefits in the case of an employee with more than two (2) years' service.

Employees Transferred Outside the Bargaining Unit

6.11 - In the event that an employee covered by this Agreement should be transferred to a supervisory or staff position outside the bargaining unit, he/she shall retain for the lessor of six (6) months or three assignments, seniority date previously acquired while serving in such capacity in the event that he/she is transferred back to the bargaining unit. This period shall be cumulative. During this period, in accordance with Paragraph 4.04 a), the Company will remit

monthly to the Financial Secretary of the Local the amount of money the employee paid in accordance with Paragraph 4.04 a) in his/her last complete month of employment in the bargaining unit.

Posting of Seniority Lists

6.12 – The Company will post a bargaining unit seniority list in suitable locations every February 1st and August 1st and furnish the Union with copies of same. An employee may make a complaint in writing to the Personnel Office as to the correctness of his/her seniority date. Verified inaccuracies and subsequent typographical errors will be corrected (no earlier date than the 1991 seniority listing). Due to the details involved, the Company will not be liable for any financial obligation as a result of errors arising out of the administration of these postings until seven (7) days after the filing of the grievance calling attention to the errors.

6.13 – Number not used.

6.14 - A regular employee transferred by the Company from one United Steelworkers of America bargaining unit in the Company, to a different United Steelworkers of America bargaining unit in the Company, will not be required to complete a new probationary period as a result of such transfer.

ARTICLE VII

GRIEVANCE PROCEDURE

7.01 – Recognizing the importance of full discussion between the supervisor concerned and the employee in clearing up misunderstandings and preserving harmonious relations, discussion should take place between the immediate supervisor and the employee during working hours in order that every effort may be made to settle complaints and problems as they arise. However, at his/her request, the employee may be assisted by a grievance committeeperson.

7.02 a) - There shall be a Union Grievance Committee, composed of up to five (5) employees, in the bargaining unit. In dealing with the Company, no more than three (3) members may act on the Union Grievance Committee at any one time, one of whom should be familiar with the work of the department in which the grievance arose.

7.02 b) - The Union will notify the Company in writing of the names of the members of the Union Grievance Committee and of any changes that may occur in same. The Company shall not be required to recognize members of the committee until it has been notified in writing by the Union of the names selected.

7.03 - The parties to this Agreement are agreed that it is of the utmost importance to adjust complaints and grievances as quickly as possible.

GRIEVANCE PROCEDURE

Originate at Step	Time Limits to Originate Grievance	Time Limits of Referral	Heard By	Union Representatives <i>(paid regular wages or 1 hr. on own time)</i>	Company Representatives	Time Limits for Answer
7.01 Meeting - Individual	12 days		Supervisor			2 days
One		5 days	Director	1 Grievanceperson	1 Company Official	5 days
Two – Group, Policy	12 days (25 days/ interpretation 30 days/CWS)	5 days	General Manager/Manager/Acting or designate	1 Grievance Chair 1 Grievanceperson 1 Witness	Supervisor, Employee Relations, Witnesses	5 days
Arbitration		21 days	Arbitrator			45 days

Outstanding grievances will be reviewed as required with the Grievance Chair and the relevant Grievanceperson.

Note: Infraction reports, including infractions which could result in discharge, will not be issued later than seventy-two (72) hours from the time the Company has determined there is an infraction.

Notice of disciplinary action, including discharge, will not be issued later than forty-eight (48) hours from issuance of the infraction report.

7.04 a) - Infraction reports, including infractions which could result in discharge, will not be issued later than seventy-two (72) hours from the time the Company has determined there is an infraction.

7.04 b) - Notice of disciplinary action, including discharge, will not be issued later than forty-eight (48) hours from issuance of the infraction report.

7.04 c) - No grievance shall be considered if the circumstances occurred or originated more than twelve (12) days (excluding vacations and leaves of absence of more than ten (10) days) prior to the request for a 7.01 meeting.

7.04 d) - In assessing discipline the Company will not consider any infraction of the same nature that occurred more than one (1) year from the current infraction. Should a disciplinary action be reduced through the grievance or arbitration procedure only the resulting discipline will be recorded in the employee's file.

7.05 a) - Should a regular employee feel that his/her complaint or problem could result in a written grievance the employee shall take the following steps in order:

7.05 b) - The Company will inform when possible two (2) days in advance, but in no case less than one (1) day in advance the Union at Step 2 of the date, place and hour of the hearing of the grievance.

7.05 c) - No Company representative can hear more than one (1) step of the grievance procedure.

7.06 - If the grievance is not settled as a result of the meeting referred to in Step 2, and if the grievance is one which concerns the interpretation or alleged violation of the Agreement, the grievance may be referred by either party to arbitration as provided in Article VIII below. Provided, however, it is hereby agreed that no grievance may be referred to arbitration after a period of twenty-one (21) days from the date of the decision in writing by the Manager.

STEP 1

Not later than five (5) days after the 7.01 meeting, the employee shall request a meeting with the director of his/her section/area. The director will arrange to hold a meeting within five (5) days to discuss the matter with the concerned employee and if desired, the employee shall receive a signed dated confirmation of the request.

The employee may be accompanied by one (1) member of the Grievance Committee and the director may be accompanied by another Company official. At the request of either party the immediate supervisor shall be heard. Except when the aggrieved employee is on night shift this meeting will be convened during the employee's working hours; however, when operations dictate otherwise, the meeting will be held outside working hours. If the meeting is held outside the working hours of the grievance committee person, he/she will be allowed one (1) hour at straight time for the meeting. Should the complaint or problem not have been satisfactorily resolved at this meeting and if the regular employee feels that a written grievance is appropriate, he/she shall obtain from the director of the section conducting the meeting, two (2) copies of a dated and signed form summarizing the result of the meeting, one of which shall be attached to the written grievance and presented at Step 2.

STEP 2

Not later than five (5) days following receipt of the answer at Step 1, the aggrieved employee shall present his/her grievance to the Union Grievance Committee who, if they decide to continue the grievance, will forward it by registered mail or e-mail to Employee Relations for referral to the General Manager/Manager/Acting. The General Manager/Manager/Acting or a designated representative, who may be accompanied by other Company officials, shall meet with the Union Grievance Committee and the employee not later than five (5) days after receipt of the written grievance to consider the representations made by

the person or persons presenting same and the supervisory personnel involved. At this stage, the Grievance Chair and one grievanceperson may be present. At the request of either party, the aggrieved employee shall be heard. Witnesses either party may require may also be heard. Should the Union bring forth witnesses, one will not lose regular earnings to testify at the meeting. The General Manager/Manager/Acting shall render his/her decision in writing not later than five (5) days following the date of the Step 2 meeting.

Outstanding Grievance Review

Should the answer at Step 2 not be acceptable to the Union, the grievance will be discussed at a meeting by the Outstanding Grievance Review Committee. This committee, consisting of the Grievance Chair and relevant Grievanceperson and a representative(s) of Employee Relations, will meet as required. A written confirmation of the grievance's status will be issued to the Union within five (5) days of the meeting.

7.07 a) – Identical differences arising between the Company and a group of employees shall be taken up at Step 2 of the grievance procedure. Such group grievances shall bear the signatures of all employees involved with the grievance to which the Union may make additions, up to conclusion of the Step 2 meeting. The Union and Company may agree to group individual grievances when the facts alleged are identical and the remedy sought is the same. The Union shall select one of the individual grievances and the decision on this grievance will be applied to the other grievances.

7.07 b) – Differences arising between the Union and the Company regarding the interpretation or alleged violation of this Agreement shall be taken up at Step 2 of the grievance procedure.

7.07 c) – Should differences arise between the Company and the Union as to the interpretation of the Job Evaluation Plan Manual, or should either party allege that, the other has violated this Manual, the matter shall be taken up at Step 2 of the grievance procedure outlined above at the request of either party. For the application of this paragraph the Union's Grievance Committee will be the representatives of the Job Evaluation Plan Committee. If a satisfactory settlement of the dispute is not reached within thirty (30) days, the matter may be referred within twenty-one (21) days by either party to arbitration as provided in Article VIII below.

7.07 d) - Upon written request to the Executive Vice-President, the Area Coordinator or his/her representative may request a meeting to appeal a grievance filed under Paragraph 7.07 b) or 7.07 c). Such request must be forwarded no later than fifteen (15) days from the answer at Step 2 and may be referred to arbitration no later than twenty-one (21) days from the date of the decision of this meeting. Individual or group grievances including discipline or discharge grievances are excluded from this understanding. The Manager, Human Resources, or his/her representative, and other individuals who normally attend at the Step 2 stage, will attend this meeting.

7.08 - The nature of the alleged misinterpretation or violation of this Agreement and the settlement sought shall be set out in the written record of the grievance at Step 2 and may not be subject to change after the conclusion of the Step 2 meeting and any such changes must be set out in writing prior to the Outstanding Grievance Review meeting.

Time Limits

7.09 - Saturdays, Sundays and the day a holiday is celebrated shall not be included when determining the time within which any action is to be taken in Article VII, Article VIII or Article X of this agreement. Any and all time limits fixed by this article or by Article VIII may be extended by mutual agreement in writing between the Company and the Union.

7.10 - Nothing contained in this Agreement shall be deemed to deprive any employee of his/her right to negotiate any of his/her personal complaints without the assistance of the Union if desired. No settlement of a personal complaint shall be in violation of this Agreement, nor shall it be used as a precedent with other grievances.

7.11 a) - If it is necessary for the presentation of a grievance that a grievance committee person or employee be absent during working hours he/she must first obtain permission from his/her immediate supervisor; such permission will not be arbitrarily denied.

7.11 b) - Step 2 grievance meetings will be held during the regular scheduled working hours of aggrieved employees except when they are on night shift or when operations dictate otherwise the meetings will be held outside working hours.

7.11 c) - The Company agrees that any grievance committeeperson and aggrieved employee who perform work during a regular scheduled shift and who are required to lose time from that shift in order to attend a grievance meeting shall be paid for such time off.

7.11 d) - When Step 2 grievance meetings are scheduled or go beyond the regular scheduled working hours of the grievance committeeperson, the grievance committeeperson (Grievance Chair and area grievanceperson) shall be paid one (1) hour at straight time rates for such attendance in addition to time lost from their regular scheduled working hours.

7.12 a) - The party initiating the procedure provided for in this Article and in the arbitration Article shall take each step in such procedures within the time limits set forth, or as extended by mutual agreement in writing, and upon failing to do so, the grievance or matter in dispute shall be deemed to have been abandoned and may not be filed as a new grievance.

7.12 b) - In the event of the absence of the authorized agent or agents of either party at any step, it shall be permissible at the expiration of the time specified in 7.05 for the other party to proceed with the next step of the foregoing procedure.

ARTICLE VIII

ARBITRATION

8.01 - Both parties to this Agreement agree that the provisions specified in this Agreement are the sole source of any rights the Union might assert in arbitration and only those management rights that are abridged by specific provision of this Agreement are arbitrable. Any dispute or grievance concerning the interpretation or alleged violation of this Agreement, which has been properly carried through all the steps of the grievance procedure outlined in Articles VII or X and which has not been settled, will be referred to an arbitrator, at the request of either of the parties hereto.

8.02 - Should the parties fail to agree on an arbitrator within ten (10) days of receipt of the request for arbitration, the parties shall choose the arbitrator in rotation from the following mutually agreed list of arbitrators:

LIST OF ARBITRATORS

Ms. Christine Fagan
Mr. Ian Bruce
Dr. John Scott
Mr. D. Alcock
Mr. Rupert C. Short

8.03 a) - If the arbitrator chosen in rotation from the agreed list of arbitrators is not available within the time limits set out herein, he/she will be replaced by the following person on the list, and except by mutual agreement between the parties, will not be used again as an arbitrator until his/her name returns in the normal order of rotation.

8.03 b) - Unless mutually agreed otherwise between the Company and the Union, the following time limits will be adhered to by the parties:

8.03 b) (i) - it is understood that the hearing at arbitration must commence within thirty (30) days from the date of acceptance by the arbitrator to hear the grievance;

8.03 b) (ii) - the arbitrator will render his/her decision within forty-five (45) days from the date of closing of arbitration hearings.

8.04 - The decision of the arbitrator shall be binding on both parties.

8.05 - The arbitrator shall have jurisdiction and authority only to interpret and apply the provisions of this Agreement so far as shall be necessary to the determination of the grievance and shall not have any power to alter or change in any way the provisions of this Agreement or to substitute any new provisions for any existing provisions, nor to give any decision inconsistent with the terms and provisions of this Agreement; nor shall any past practices or customs become binding unless they are in writing between the Company and the Union. Where the arbitrator determines that an employee has been disciplined for cause, he/she may review and modify the penalty imposed.

8.06 - The expenses of the arbitrator shall be paid equally by the Union and Company.

8.07 - Arbitration cases will be processed at the city in which the grievance was filed unless otherwise mutually agreed. Should there be more than one (1) grievance pending at arbitration at the same time, the Company and the Union may mutually agree to have one (1) or more of these grievances processed at the same arbitration session.

8.08 - Discharge cases shall have preference over other cases submitted to arbitration.

ARTICLE IX

MANAGEMENT GRIEVANCES

9.01 - It is understood that management may bring forward at any meeting held with the Union Grievance Committee any complaint with respect to the conduct of the Union in its dealings with the Company and, if such complaint by the management is not settled to the mutual satisfaction of the conferring parties it may be treated as a grievance filed under the procedure set out in Article VII (introduced at Step 2) and referred to arbitration in the same way as the grievance of an employee.

ARTICLE X

DISCHARGE CASES

10.01 a) - If an employee who has acquired seniority feels he/she has been discharged without just and sufficient cause, the case may be taken up as a grievance and processed according to the following provisions which shall be taken in order.

10.01 b) - If the employee so desires and before presenting his/her case as a formal grievance, he/she may discuss the case with his/her immediate supervisor with the assistance of a grievance committee person. The immediate supervisor will be accompanied by another Company official other than the official responsible for settling the grievance at a higher step.

10.02 - Such grievance (on a form provided by the Company) must be lodged with the head of his/her department or the personnel supervisor or Employee Relations not later than two (2) days after the employee has received a written notice of the disciplinary action taken. The department head will arrange a mutually satisfactory time to meet with the employee to discuss the grievance. He/she may be accompanied by another Company official (other than an official responsible for settling the grievance at a higher step) and the employee may be accompanied by the Union Grievance Committee. Witnesses either party may require may also be heard. If a settlement satisfactory to the employee concerned is not reached within two (2) days of receipt of the grievance, the grievance may be presented as follows at any time not later than two (2) days thereafter.

10.03 - The aggrieved employee shall present his/her grievance to the Union Grievance Committee who, if they decide to continue the grievance, will forward it by registered mail or e-mail to Employee Relations for referral to the Manager/General Manager. The Union Grievance Committee and the Manager/General Manager or some other person designated by him/her shall meet as promptly as possible, and not later than three (3) days from the postmark date of the registered letter or e-mail to consider the grievance. At this stage, they may be accompanied by a representative of the Local Union and/or the International Union if their presence is requested. Other officials of the Company may also be present at the meeting. At the request of either party, the aggrieved employee shall be heard. Witnesses either party may require may also be heard and at this time the aggrieved employee may also be in attendance. At this meeting, decisions in writing made at 10.02 will be presented. The decision of the Manager/General Manager shall be given in writing not later than two (2) days after the meeting with the Union Grievance Committee.

10.04 - If final settlement of a grievance is not completed within two (2) days after the closing of the meeting referred to in 10.03, the grievance may be referred within ten (10) days by the Union Grievance Committee to arbitration as provided in Article VIII above.

10.05 a) - The party initiating the procedure provided for in this article and in the arbitration article shall take each step in such procedures within the time limits set forth, or as extended by mutual agreement in writing, and upon failing to do so, the grievance or matter in dispute shall be deemed to have been abandoned and may not be filed as a new grievance.

10.05 b) - In the event of the absence of the authorized agent or agents of either party at any step, it shall be permissible at the expiration of the time specified in 10.02 to 10.04 for the other party to proceed with the next step of the foregoing procedure.

10.06 - Such grievance may be settled by confirming the management's action in dismissing the employee, or reinstating the employee with compensation for lost time, or by any other arrangement which is just and equitable in the opinion of the conferring parties. If the matter is not settled through the procedure outlined in this article and is taken to arbitration, the arbitrator will have full jurisdiction to uphold or reject the discharge or change the discharge to a lesser penalty of suspension and fix the duration of such suspension. In the event that the arbitrator rejects the discharge or changes the discharge to a lesser penalty of suspension, the employee shall be reinstated and paid his/her wages at his/her regular basic rate (less amounts earned by him/her during the time lost) for the time lost since the date of discharge, or for the period of time lost not covered by the suspension, limited to the scheduled work

week, for a maximum period of one hundred and eighty (180) days on which he/she would have been scheduled to work on an eight (8) hour shift, one hundred and forty (140) days on which he/she would have been scheduled to work on a ten (10) hour shift, or one hundred and twenty (120) days on which he/she would have been scheduled to work on a twelve (12) hour shift, to which will be added the number of days that the arbitration was delayed at the request of the Company. On the other hand, should the arbitration be delayed at the request of the Union, the number of days that the arbitration was delayed at the request of the Union will be deducted from any days to be paid.

ARTICLE XI

HOURS OF WORK AND OVERTIME PAY

11.01 - The following paragraphs and sections are intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per day or per week, or days of work per week.

11.02 a) - For the purpose only of computing overtime, and not as limitation upon the scheduling of employees for work, the work week shall be a period of seven (7) consecutive days commencing with the beginning of the day shift on Monday, and the work day shall be a period of twenty-four (24) hours commencing at the beginning of the day shift of the plant as scheduled by the Company.

11.02 b) - Where such a twelve (12) hour schedule applies, it is understood that it will not result in any additional cost to the Company or loss of regular earnings to the employee over the same period with the same coverage.

11.03 a) - 8 hour shifts

The first four (4) hours worked in excess of eight (8) hours in any day or hours worked in excess of forty (40) hours in any work week or on assigned days off shall be paid at the rate of one and one half (1½) times the regular rate. Hours worked in excess of twelve (12) in any day shall be paid at the rate of twice (2) the regular rate.

Work scheduled and performed on Sunday will be paid at the rate of time and one half (1½). Work performed on Sunday in excess of eight (8) hours, or in excess of forty (40) straight time hours in the work week will be paid for at double (2) time.

11.03 b) - 12 hour shifts

The first four (4) hours worked in excess of twelve (12) in any day shall be paid at the rate of one and one half (1½) times the regular rate. Hours worked in excess of sixteen (16) in any day shall be paid at twice (2) the regular rate. Hours worked on an assigned day off shall be paid as follows: the first twelve (12) hours at one and one half (1½) times the regular rate.

Work scheduled and performed on Sunday will be paid for at the rate of time and one half ($1\frac{1}{2}$) for the first eight (8) hours and double (2) time for all hours in excess of eight (8). Work performed on an assigned day off on Sunday will be paid for at double (2) time rates should the employee have worked eighty (80) straight time hours in the pay period (two weeks). Should he/she not have eighty (80) straight time hours in the pay period, the first twelve (12) hours worked on his/her assigned day off on Sunday shall be paid at time and one half ($1\frac{1}{2}$).

11.03 c) - 10 hour shifts

The first four (4) hours worked in excess of ten (10) in any day shall be paid at the rate of one and one half ($1\frac{1}{2}$) times the regular rate. Hours worked in excess of fourteen (14) in any day shall be paid at twice (2) the regular rate. Hours worked on an assigned day off shall be paid as follows: the first ten (10) hours at one and one half ($1\frac{1}{2}$) times the regular rate.

Work scheduled and performed on Sunday will be paid for at the rate of time and one half ($1\frac{1}{2}$) for the first ten (10) hours and double (2) time for all hours in excess of ten (10). Work performed on an assigned day off on Sunday will be paid for at double (2) time rates should the employee have worked forty (40) straight time hours in the week). Should the employee not have forty (40) straight time hours in the pay period, the first ten (10) hours worked on assigned day off on Sunday shall be paid at time and one half ($1\frac{1}{2}$).

Any time allowed and paid as overtime in any working day shall not be used to compute overtime during the work week and to the extent that hours are compensated for at overtime rates under one provision they shall not be considered as hours worked in determining overtime under the same or any other provision.

Hourly rates shall be calculated on the following basis:

$$\frac{\text{Monthly Salary} \times 12}{40 \times 52}$$

Daily rates for monthly-rated employees shall be calculated on the following basis:

$$\frac{\text{Monthly Salary} \times 12}{5 \times 52}$$

11.03 d) - In any period of overtime which ends with an incomplete half hour ($\frac{1}{2}$), that portion of the half hour ($\frac{1}{2}$) will be rounded to a full half hour ($\frac{1}{2}$) for pay purposes.

11.04 - Overtime hours will be worked on a voluntary basis provided the requirements of the service are met and it will be distributed equitably in rotation. Overtime lists will be based on seniority and a list of overtime worked by all eligible employees will be posted. It is understood that employees who refuses overtime or are unavailable will be debited with the number of hours they would have worked had they accepted or were available.

It is also understood that employees who consistently refuse overtime may be temporarily dropped from the eligible list, and may be reinstated on the list upon request.

11.05 - Employees shall be allowed a lunch period of twenty (20) minutes inclusive of said eight (8) hour, ten (10) hour or twelve (12) hour period and coffee on a reasonable basis. Such periods will not be changed unnecessarily and shall be discussed with the Union in advance. However, employees will maintain normal warehouse services during this lunch period.

11.06 - If an employee reports for work on his/her regular scheduled shift without having been notified previously not to report, and if sufficient work is not available, he/she shall be given at least four (4) hours pay for that day at his/her regular hourly rate.

11.07 - Number not used.

11.08 - Where work is not available due to causes beyond the reasonable control of the Company the employees who would normally have worked will not be paid. The provisions of this paragraph also apply to Paragraph 11.06.

11.09 - Overtime rates shall not apply to time worked by a monthly-rated employee in excess of his/her regular work day or work week when such time is due to change of shift of the regular work schedule.

11.10 - The Company will authorize a five (5) minute period at the end of each shift to complete the function of the shift.

11.11 - Number not used.

11.12 - Number not used.

11.13 a) - For the purpose of ensuring equitable distribution of overtime the Company will review with the Union, at least once per month if necessary through the use of a joint committee, overtime records and methods of recording overtime credits. This committee may also review and revise if necessary:

11.13 a) (i) - existing work schedules to ensure the proper distribution of shifts by day, afternoon, night and shifts off. In the distribution of shifts it is the intention of the parties to respect the structure of the normal week;

11.13 a) (ii) - proposed changes in scheduling or the scheduling system;

11.13 b) - Such schedules or changes mentioned in Paragraphs 11.13 a) (i) & (ii) will be posted when possible seventy-two (72) hours prior to the change taking effect.

11.13 c) - Should an employee's shift schedule be changed without having given him/her at least twenty-four (24) hours notice of the change, he/she will be paid at the rate of double (2) time for hours worked on the first shift of the changed schedule.

RATES OF PAY

8 HOUR SHIFT SCHEDULE			
		Monday to Saturday	Sunday (premium)
Daily	0 – 8 hours	1.0	1.5
Daily	8.01 – 12 hours	1.5	2.0
Daily	12.01 + hours	2.0	2.0
Weekly	0 – 40 hours	1.0	1.5
Weekly	40.01 + hours	1.5	2.0
Scheduled Day Off	0 – 8 hours	1.5	2.0 (if 40 in week)
Scheduled Day Off	8.01 – 12 hours	1.5	2.0
Scheduled Holiday	0 – 8 hours	1.5	2.0 (if 40 in week)
Scheduled Holiday	8.01 – 12 hours	2.0	2.0
Scheduled Holiday	12.01 – 16 hours	2.5	2.5

12 HOUR SHIFT SCHEDULE

		Monday to Saturday	Sunday (premium)
Daily	0 – 8 hours	1.0	1.5
Daily	8.01 – 12 hours	1.0	2.0
Daily	12.01 + hours	1.5	2.0
Weekly	0 – 80 hours	1.0	1.5
Weekly	80.01 + hours	1.5	2.0 (if 80 in pay period)
Scheduled Day Off	0 – 8 hours	1.5	2.0 (if 80 in pay period)
Scheduled Day Off	8.01 – 12 hours	1.5	2.0 (if 80 in pay period)
Scheduled Holiday	0 – 8 hours	1.5	1.5
Scheduled Holiday	8.01 – 12 hours	1.5	2.0
Scheduled Holiday	12.01 – 16 hours	2.0	2.0

10HOUR SHIFT SCHEDULE

		Monday to Saturday	Sunday (premium)
Daily	0 – 8 hours	1.0	1.5
Daily	10.01 – 14 hours	1.5	2.0
Daily	14.01 + hours	2.0	2.0
Weekly	0 – 40 hours	1.0	1.5
Weekly	40.01 + hours	1.5	2.0
Scheduled Day Off	0 – 10 hours	1.5	2.0 (if 40 in week)
Scheduled Holiday	0 – 10 hours	1.5	1.0 (if 40 in week)
Scheduled Holiday	10.01 – 14 hours	2.0	2.0
Scheduled Holiday	14.01 – 16 hours	2.5	2.5

ARTICLE XII

SHIFT PREMIUMS

12.01 - For the purpose of this Article:

12.01 a) - all shifts beginning after six (6:00) a.m. and up to noon (12:00) will be day shifts;

12.01 b) - all shifts beginning after noon (12:00) and up to eight (8:00) p.m. will be afternoon shift, for which a shift premium of thirty cents (\$0.30) per hour shall be paid;

12.01 c) - all shifts beginning after eight (8:00) p.m. and up to six (6:00) a.m. will be night shifts, for which a shift premium of forty-five cents (\$0.45) per hour shall be paid.

12.02 - Shift premiums shall be computed in overtime.

12.03 - Premium time shall be determined by the shift for which the employee is scheduled.

ARTICLE XIII

WAGES

13.01 – The Job Evaluation Plan (J.E.P.) Manual for Job Description and Evaluation, herein referred to as <<The Manual>>, is incorporated into this Agreement as Appendix <<A>> and its provisions shall apply whenever necessary for the purpose of describing and evaluating all new jobs or existing jobs which have been subject to a change in content.

13.02 - The standard rates for each grade shall be the standard rates for all jobs evaluated at such grade and shall so continue for the duration of the salary rate scale.

13.03 - The standard rates of pay as set out in 13.04 shall apply to each employee on a job according to the grade of the job and the employee's service in the job.

13.04 - The standard rates of pay of the scale shall be:

13.05 - No employee shall be entitled to any salary as set forth in this article unless he/she is ready, able and willing to perform the duties required in his/her job.

13.06 - The description and grade evaluation for each job in effect as of the date of this Agreement continue in effect unless:

13.06 a) - the Company changes the job content to the extent of at least one (1) grade;

13.06 b) - the job is terminated or not occupied during consecutive period of one (1) year; in the event of partial or total job elimination the remaining work will be distributed among other jobs within the bargaining unit;

13.06 c) - the description and evaluation are changed by mutual agreement of the Company and the Union.

13.07 - Whenever the Company establishes a new job, the following procedure will be followed:

13.07 a) - the Company will inform the Union sixty (60) days in advance by written notice of the new job to be established and will provide a summary of the main job functions;

13.07 b) - a provisional grade for the new job will be determined by the Company and will take effect as of the first day of assignment. The bulletining will be done in conformity with the present Agreement;

SALARY SCALE REGULAR RATES

GRADE 5 – STOREMAN

DATE	START	12 MONTHS	24 MONTHS	36 MONTHS
February 28, 1999	\$3,758	\$3,796	\$3,836	\$3,964
March 1, 1999 (1)	\$3,860	\$3,898	\$3,937	\$4,066
March 1, 2000 (2)	\$3,895	\$3,933	\$3,972	\$4,101
March 1, 2001 (3)	\$3,930	\$3,968	\$4,007	\$4,136
March 1, 2002 (4)	\$3,982	\$4,020	\$4,059	\$4,188
March 1, 2003 (5)	\$4,043	\$4,081	\$4,120	\$4,249

- (1) \$102.00 fold-in COLA float.
- (2) \$35 increase to base rate + 1/3 of COLA float as at March 1, 2000
- (3) \$35 increase to base rate + 1/3 of COLA float as at March 1, 2001
- (4) \$52 increase to base rate + 1/3 of COLA float as at March 1, 2002
- (5) \$61 increase to base rate + 1/3 of COLA float as at March 1, 2003

13.07 c) - within a trial period of not more than ninety (90) days, the Company will provide a complete description and evaluation of the new job. The Union or the employee concerned may challenge the grade within the thirty (30) days following the trial period. Shall there be no challenge during this time, the grade set by the Company will be considered as established;

13.07 d) - should the Company and the Union J.E.P. Committee be unable to agree upon the grade evaluation, the following shall be the procedure:

13.07 d) (i) - the Company shall install the proposed grade and the standard rates for the grade to which the job is thus assigned shall apply as set forth;

13.07 d) (ii) - the Union J.E.P. Committee may within thirty (30) days thereafter refer in writing to the two (2) representatives designated in 13.12, an allegation that the job is improperly described or evaluated.

13.08 - If the Company is alleged to have established a new job, or changed the job content of an existing job to the extent of one (1) grade or more, and has failed to develop and submit a new description and evaluation the Union J.E.P. Committee shall notify the Company in writing, specifying its allegations. The Company and the Union J.E.P. Committee shall discuss the matter, after which the Company shall reply in writing to the Union J.E.P. Committee's allegations. If the Company's reply is not satisfactory, the Union J.E.P. Committee may within thirty (30) days of the date of such reply refer the matter in writing to the two (2) representatives designated in 13.12.

Any change in a job grade shall become effective in accordance with 13.07 b) provided, however, that retroactivity shall not apply for more than sixty (60) days prior to the date the Union J.E.P. Committee notifies the Company of its allegations.

13.09 - When the Company changes a job but the job content change results in no change of grade, a supplementary record shall be established to maintain the job description and evaluation on a current basis and to enable subsequent adjustment of the grade assignment of the job for an accumulation of small job content changes in accordance with the following:

13.09 a) – the Company will prepare a record of such change to supplement the original job description and evaluation;

13.09 b) - such record will be submitted by the Company to the Union J.E.P. Committee. It shall not be necessary for the Union J.E.P. Committee to indicate its agreement with such record. If it is claimed that the Company has incorrectly assessed the job change or that the change or changes in the job, when added to prior change or changes, require a grade change in the job evaluation, the Union J.E.P. Committee shall notify the Company in writing, specifying its allegations. The Company and the Union J.E.P. Committee shall discuss the matter, after which the Company shall reply in writing to the Union committee's allegations. If the Company's reply is not satisfactory, the Union committee may within thirty (30) days of the date of such reply refer the matter in writing to the two (2) representatives designated in 13.12.

Any change in job grade shall be effective as of the date of the most recent change in job content.

13.10 - When and if job content changes accumulate to a total of one (1) grade or more:

13.10 a) - the job shall be re-evaluated to the appropriate grade on the basis of such changes accumulation and the re-evaluation shall become effective from the date of the most recent change in job content;

13.10 b) – the appropriate grade standard rate shall be effective as of the date of such re-evaluation;

13.10 c) - a new description and evaluation shall be established in accordance with 13.07 embodying such accumulation of job content changes.

13.11 - When the Company terminates a job, or a job is not occupied during a period of one (1) year, a record as to cancellation of the applicable job description and evaluation shall be established in accordance with the Manual.

13.12 - The Company and the Union shall each designate a representative to consider referrals submitted under Paragraphs 13.07 d), 13.08 and 13.09.

13.12 a) - The two (2) representatives selected shall meet to deal with the matter referred to them. Within sixty (60) days after the date of their meeting, the two (2) representatives shall jointly notify the parties hereto in writing of their agreement or failure to reach agreement. Agreement between the two (2) representatives shall be final and binding.

13.12 b) - If the representatives are unable to reach agreement, the Union may, within thirty (30) days of the date of the written notification of the two (2) representatives of their failure to reach agreement, notify the Company in writing of its intention to submit the dispute to arbitration under the provisions of Article VIII. The Union's written notification shall contain particulars of the issues in dispute and for the purpose of arbitration shall be considered as a grievance not adjusted in Step 2.

Correction of Errors

13.13 - Any mathematical or clerical errors made in the preparation, establishment or application of job descriptions and job evaluation or standard salary rates shall be corrected to conform to the provisions of this Agreement.

13.14 - Except as otherwise provided, no basis shall exist for an employee covered by this Agreement to allege that a grade evaluation inequity exists.

13.15 to 13.42 - Numbers not used.

13.43 – Effective March 1, 1999 a Northern Allowance of two hundred and forty-seven dollars (\$247.00) per month per single status employee and two hundred and sixty-two dollars (\$262.00) per month per married status employee will be paid subject to the following conditions:

13.43 a) - One (1) only Northern Allowance per family will be allowed at the married status rate.

13.43 b) (i) – Eligible employees must have earnings or be on annual vacation or extended vacation in order to receive Northern Allowance.

13.43 b) (ii) – Annual or extended vacation pay received at layoff or while on layoff or upon termination of employment is not considered as vacation taken or as earnings for the purpose of Northern Allowance.

13.43 b) (iii) - At time of termination or layoff employees with regular earnings for less than a full calendar month will receive prorata Northern Allowance for that month based on the number of days in that month to date of termination or layoff divided by 30.

13.43 c) – Northern Allowance is not considered as earnings for the purpose of computing vacation pay.

13.43 d) – An employee will be eligible for Northern Allowance following completion of his/her probationary period and shall be paid on a pro-rated basis.

13.43 e) - An employee changing {status} as outlined above must notify the Personnel Office of such change.

13.44 – Employees retiring or permanently disabled are eligible for relocation benefits of seventeen hundred and fifty dollars (\$1750.00) with receipts and seventeen hundred and fifty dollars (\$1750.00) cash payment should they relocate outside the immediate area within a maximum period of twelve (12) months immediately following their official retirement date.

ARTICLE XIV

REPORTING AND CALL BACK

14.01 – Number not used.

14.02 – Employees called out to work outside their normal and regular hours shall be paid a minimum of four (4) hours at straight time rates or twice (2) the regular rate for actual hours worked on the call out, whichever is the greater. Work required under the foregoing circumstances will be confined to work necessitated by the call out. If however, employees are informed before the end of their regular shift to commence work before their next regular starting time, the time will be computed continuously with the regular day's work and the time worked before the regular starting time will be paid for at the applicable rate.

14.03 – Article 14.02 will be applied on the following basis:

<<Normal>> Overtime will be paid for:

14.03 a) - Continuous hours worked following his/her regular shift.

14.03 b) – All hours worked in continuity with the start of the next shift, where employee is advised before end of his/her preceding shift.

14.03 c) - Work performed on assigned rest days where employee is advised before end of last shift he/she works before his/her rest day.

14.03 d) - Replacing an absentee for a complete shift or part of a shift and the employee will be told who he/she is replacing and the work to be done, when called or when reporting to work. The employee on regular annual vacation or extended vacation is not considered an absentee.

14.03 e) - The employee called in to work and advised at least four (4) hours before the start of the work and for the day shift he/she will be advised before midnight.

Call Out>> time will be paid for:

14.03 f) – Subject to items d) and h), employees called after leaving the job, to perform a specific job. Work to be performed will be specified and the employees are expected to work the hours required by the call out or until they are relieved.

14.03 g) – Employee called on assigned rest day and who is not advised as in e) above and who is not called as a replacement.

14.03 h) - Employee called to work for less than full shift and continues working on regular shift without relief (hours prior to regular shift paid as call out).

14.04 - An employee unable to report for his/her regularly scheduled shift shall advise the Company in accordance with Letter of Understanding, Item #3 - Procedure for Reporting Shift Absence.

ARTICLE XV

VACATION WITH PAY

15.01 – Vacations shall be granted through all the year, based on a schedule worked out by Company and Union representatives with the aim of posting such schedule on or before November 30th.

The schedule may be reviewed periodically as the need arises as to the number of employees to be released; however, except in the case of unforeseen circumstances, the schedule will not be altered without consent of both parties. The objective is to allow the maximum number of employees vacation in the period of their preference based on the operational requirements of the Company. A copy of the posted schedule will be sent to the Union.

15.02 – Employees shall be allowed annual vacation with pay varying with the number of years of continuous service and prorated with the months actually worked during the year according to the following scale:

Length of Continuous Service	Maximum Days Allowed Vacation	% Factor of Earnings
After 1 years service	18 days	5.33%
After 2 years service	23 days	6.81%
After 3 years service	28 days	8.29%
After 4 years service	33 days	9.77%

Continuous service shall be defined as commencing on the January 1st immediately following the employee's most recent date of hire and will include any time an employee is on layoff from active employment, during which that employee retained and continued to accumulate seniority.

Annual vacation pay shall be computed by multiplying the employee's gross earnings for the preceding payroll year by the appropriate percentage factor outlined above.

15.03 - Employees, should they so desire and within the guidelines of this article, may choose to split their annual vacation subject to the following criteria:

15.03 a) - An employee will be permitted to split annual vacation only twice.

15.03 b) - Minimum allowable vacation is seven (7) days.

15.03 c) - Subject to provisions of Appendix <<G>>, the employee may choose to take complete Air Transportation subsidy on either portion of the vacation.

15.03 d) - Vacation pay will be paid for each portion of the vacation based on the number of days taken.

15.04 a) - Maximum calendar days shall not be reduced as a result of authorized absences due to Union business. Maximum calendar days shall be reduced for any other authorized leave over one (1) month.

15.04 b) - Maximum days allowed vacation shall be reduced, on a prorata basis, by complete months not worked due to layoff or medical but in no case will the maximum days allowed be less than fourteen (14) work days. At time of vacation, an employee will be allowed a leave of absence without pay for any vacation time lost due to layoff or medical, if he/she wishes. However, an employee's medical leave must cover a period of not less than two months during the calendar year to be prorated.

15.04 c) - An annual vacation bonus of one hundred and ten dollars (\$110.00) per week or fifteen dollars and seventy-one cents (\$15.71) for each day of annual vacation granted will be paid for vacation days taken from October 1st to December 14th and January 16th to May 31st. The vacation bonus will also be paid if annual vacation pay is given to an employee at time of layoff, provided such layoff falls in the above mentioned periods.

15.05 - Vacation pay or the equivalent of vacation pay without taking such vacation shall be considered as earnings for computing subsequent vacation pay.

15.06 - The Company and employee may agree that the employee shall not take a vacation or portion thereof, in which case the Company shall pay to him/her the equivalent of his/her vacation pay without taking such vacation. However, the Union will be notified of all employees who request to cancel their vacations prior to the Company making such decisions.

15.07a) - Employees who are eligible for vacation pay may request same up to fifteen (15) calendar days in advance and will receive same not later than seven (7) calendar days prior to the date they are scheduled to proceed on vacation. In the case of vacations scheduled early in the new year whereby the amount of actual vacation pay is not available within the time specified above, every effort will be made to ensure the vacation pay is payable by the third business day of the new year. Should employees wish, they may opt out of continuous payment of their vacation pay (either regular vacation or regular and extended

vacation pay) over the period of their vacation if advance notice is given at the time Air Transportation forms are requested

15.07 b) - Employees who are entitled to vacation upon layoff shall receive vacation pay at time of layoff if the employee so specifies or in accordance with a vacation schedule established prior to his/her layoff.

15.07 c) - Employees who are eligible for vacation pay will receive same at the time they are discharged.

15.08 a) - Employees with less than one (1) year's continuous service, for vacation purposes will receive, upon a break in continuous service, four percent (4%) of gross earnings since their date of hire. Employees with more than one (1) year's continuous service for vacation purposes will receive, upon a break in continuous service, four percent (4%) of gross earnings since the date of the pay period nearest to their last hiring anniversary date in addition to vacation pay to which they may be entitled under Paragraph 15.06 or whatever is provided by Law, whichever is greater.

15.08 b) – Employees who retire on or after their service anniversary date will receive their regular annual percentage of earnings only from the common anniversary date of December 31st to their service anniversary date.

15.09 - An employee who returns from vacation will be entitled to overtime for days worked in the week he/she returns on the same basis as for the same week as if he/she had not been on vacation and had worked his/her regular scheduled week.

15.10 a) – Employees and their immediate dependents will be entitled once per year, provided the employee has acquired vacation rights, to a free return passage Labrador City to Sept-Iles or Schefferville via Quebec North Shore & Labrador Railway. At vacation time and for the same purpose the employee will be entitled to free return transportation, as provided by the Quebec North Shore & Labrador Railway, for his/her personal automobile and one (1) space in a <<car carrier>> for his/her personal trailer, motor home, camper, canoe or boat on trailer. In the event that the trailer, motor home, camper, camper pick-up or boat on trailer, exceeds the normal limits of the <<car carrier>>, one (1) space on a flat car will be provided for the trailer, motor home, camper, camper pick-up or boat on trailer. Any charges incurred in excess of 6,000 pounds will be at the employee's expense. For the purpose of this article the personal automobile may be in the spouse's name. Furthermore, each employee will be entitled to a second free return passage for his/her personal automobile from Labrador City to Sept-Iles or Schefferville via Quebec North Shore and Labrador Railway.

15.10 b) (i) – Employees on long term disability, Workplace Health, Safety and Compensation and retirees, and their immediate dependents, all of whom must be permanently residing in Labrador City, will be entitled, once per year, to a free return vehicle and passenger pass from Labrador City to Sept-Iles via Quebec North Shore & Labrador Railway.

15.10 b) (ii) – Families of deceased employees shall receive the benefits provided under 15.10 b)(i). Such return passage shall continue under the same terms as other benefits entitlement.

15.10 c) - The Company agrees that an employee who is terminated by the Company for medical reasons which prevent his/her further employment by the Company at Labrador City, or who is retired under Sub-section 3.6 of the Pension Plan, will be provided with free transportation on the Quebec North Shore & Labrador Railway to Sept-Iles for himself/herself, immediate dependents, personal automobile and household effects and one (1) space in a <<car carrier>> for his/her personal trailer, as set out in 15.10 a).

15.10 d) – During the term of the current collective agreement, the Company will administer the provisions of Paragraph 15.10 a) as follows:

15.10 d) (i) – the space in the car carrier shall not be more than 6½' X 7' X 18' in dimension;

15.10 d) (ii) – the automobile may be replaced by an

employee's personal motorcycle or snowmobile with sled and contents;

15.10 d) (iii) – should an employee decide to utilize the annual transportation provided for under 15.10 a), at one time during the year rather than at the time of his/her annual vacation, he/she may do so only for medical leaves of absences requiring hospitalization.

15.11 – EXTENDED VACATIONS

15.11 a) – Each five (5) year period of completed continuous service with the Company qualifies the employee for extended vacation (EV) based on five (5) weeks of EV after five (5) years of service and nine (9) weeks of EV after ten (10) years of service. Each additional five (5) year period of continuous service, after ten (10) years of service, qualifies the employee for EV based on nine (9) weeks of EV.

15.11 b) – The date of entitlement of the second EV establishes the start of the third five (5) year period of service. The start of each subsequent five (5) year period of service is established in the same manner as the third five (5) year period.

15.11 c) – For an employee entitled to EV before signature date of the 1981-1984 Agreement:

15.11 c) (i) – EV days and pay will be in addition to annual vacation and shall be added to, paid and taken with an employee's annual vacation;

15.11 c) (ii) – All or any portion of EV days entitlement may be cancelled in the year an employee is scheduled for EV pay; if the employee opts for EV days he/she must specify his/her option for EV days entitlement at the time of application for annual vacation. The employee will receive pay for the full EV entitlement if he/she opted not to take the EV days entitlement.

15.11 d) - For an employee becoming entitled to EV on or after the signature date of this Agreement:

15.11 d) (i) – EV will be paid in full in the six (6) weeks following the end of the pay period in which the service anniversary date completing the 5-year period entitling the employee to EV falls, if the employee so desires. Otherwise the employee will be paid in full at the time he/she takes the extended vacation time;

15.11 d) (ii) – All or any portion of EV days entitlement may be cancelled. If an employee wishes to have EV days, they can be scheduled with any one annual vacation of the five (5) years following EV entitlement; however, the employee must specify his/her option for EV days entitlement at the time of application for annual vacation and Paragraph 15.11 g) applies.

15.11 e) - EV days and EV pay will be calculated in the same manner and will be subject to the same conditions as annual vacation except that a five (5) year base will be used for EV instead of the one (1) year base. The maximum number of calendar days allowed EV multiplied by .29606 will establish the % of earnings to be granted as EV pay.

15.11 f) - EV will be scheduled in accordance with the vacation scheduling procedures that apply to the bargaining unit. The desires of the individual employee will be taken into account insofar as practicable but final allotment must be approved by the Manager to insure orderly operation.

15.11 g) - Only in the case of termination will the Company be required to allot EV time or pay in excess of 20% of the employees entitled to EV in the calendar year in question.

15.11 h) - In cases of employment termination due to Technological, Organizational or Operational Changes, Extended layoff, death of an employee, retirement (normal, early, special early, postponed) under the Pension Plan Agreement governing this bargaining unit, employees or beneficiaries of deceased employees so terminated will be entitled to a prorata EV based on the service period completed at such termination date since last previous entitlement date to EV or since hiring date, as the case may be.

15.11 i) – Service Bonus:

For the second and each subsequent year of service completed after February 28th, 1979, and for which an employee receives an annual vacation pay, extended vacation pay will be increased by a 20-hour service bonus. Such service bonus will be paid at the same time as extended vacation pay and at the standard hourly rate of the regular job held at each service year anniversary date in the applicable period of years preceding the date EV is paid.

ARTICLE XVI

HOLIDAYS

16.01 a) - For any of the holidays hereafter mentioned each employee will receive a holiday pay equivalent to the normal pay of the job to which he/she is regularly assigned, exclusive of shift and overtime premiums provided that the employee is not absent without leave on his/her scheduled shift immediately preceding or following the holiday:

- New Year's Day
- St. Patrick's Day
- Good Friday
- Victoria Day
- Canada Day
- Regatta Day
- Labour Day
- Remembrance Day
- Christmas Day
- December 26th

16.01 b) – The above listed holidays shall be observed on the day they occur. Such holidays are regular scheduled shifts for all employees so scheduled. Should a holiday fall on a weekend, for those employees who work a Monday to Friday eight (8) hour schedule, the Company will review its work requirements for the week in question and, if possible, reduce the manpower requirements in these departments on the designated Monday or Friday of the holiday. However, should the Company decide to reduce the manpower requirements on a holiday for other than eight (8) hour shift workers, the employees so affected on their regular scheduled shift will be paid holiday pay equal to their regular scheduled shift

16.01 c) – Notwithstanding 16.01 a) employees on vacation or who are laid off the day following or preceding a holiday shall be entitled to holiday pay.

16.01 d) - To be entitled to holiday pay set out in 16.01 a) an employee must have worked during the course of the two (2) weeks that precede the holiday.

16.01 e) - The date for Regatta Day will be established by the Union advising the Company, by registered mail or e-mail,, not later than May 15th; if the Union does not do so, the date will be fixed by the Company and will not be subject to change.

16.02 - In addition to the holiday pay mentioned in Paragraph 16.01, eight (8) hour shift employees required to work on a holiday will be paid as follows: 150% of their regular rate for the first eight (8) hours; 200% of their regular rate for the next four (4) hours; 250% of their regular rate for all hours worked over twelve (12) hours.

Employees on a twelve (12) hour shift required to work on a holiday will be paid as follows: 150% of their regular rate for the first twelve (12) hours; 200% of their regular rate for the next four (4) hours; 250% of their regular rate for all hours worked over sixteen (16) hours. Employees on a ten (10) hour shift required to work on a holiday will be paid as follows: 150% of their regular rate for the first ten (10) hours, 200% of their regular rate for the next four (4) hours, 250% of their regular rate for all hours worked over fourteen (14) hours.

However, in the case where employees would have the right to a higher hourly rate for such hours worked, in accordance with another provision of the Collective Agreement, they will be paid at such higher hourly rate instead of the rate provided for in this paragraph.

16.03 – Holiday pay hours shall be considered as hours worked only to make the hours actually worked after the holiday within the work week (i.e. Monday through Sunday) eligible for overtime. If the holiday falls on a day following the last day worked by the employee in the work week, the holiday pay hours shall not be considered as hours worked for the purpose of computing overtime.

ARTICLE XVII

LEAVE OF ABSENCE

17.01 a) - An employee may be granted a leave of absence upon submitting a written request to his/her shift or department supervisor outlining the reasons for the leave and its length. Leaves of absence will not arbitrarily be denied, but management shall have the right to grant leave and determine its length. However should an employee feel that his/her leave has been arbitrarily denied, he/she may refer the matter for discussion with his/her department superintendent. If the Company denies a leave of absence, the reasons for this refusal will be given to the employee. The only benefits accrued during leave will be seniority and those other benefits the collective agreement specifically states will be accrued.

17.01 b) – An employee who is absent for reason of sickness for more than three (3) days shall present a medical certificate covering the time lost upon returning to work.

17.01 c) - The Company will administer <<fit to return to work>> slips concerning lost time accidents resulting from accidents during working hours, and medical leaves of absence requiring hospitalization in a city other than the city of residence, on the following basis:

17.01 c) (i) - Accident during working hours:

An employee returning to work following a lost time accident provided the normal procedure was followed in conformity with the rules of the Workplace Health, Safety and Compensation Commission, will report to the Personnel Office with proof of physical fitness from his/her attending physician. Should the Company require further evidence of physical fitness through a Company designated physician, the Company will pay for the required examination and will pay the employee at his/her regular rate for scheduled hours lost resulting from such an examination.

17.01 c) (ii) - Leave of absence requiring hospitalization:

An employee returning to work after hospitalization in a city other than his/her city of residence will report to the Personnel Office with proof of hospitalization and proof of physical fitness from his/her attending physician. If the Company requires further evidence of physical fitness, cost of the examination and pay for time lost if any, will be handled as in Paragraph i) above.

17.02 a) - In case of death in his/her immediate family, an employee will be allowed a maximum of twenty-four (24) consecutively scheduled hours, based on the day of the funeral, with pay at his/her basic rate provided the employee actually loses the time on account of such death.

17.02 b) - The provisions of Paragraph 17.02 a) will apply to an employee who was not scheduled to work due to being on an authorized leave of absence for reason of illness of a member in his/her immediate family which resulted in the death of that member of his/her immediate family during the period of the employee's authorized leave of absence.

17.03 - For the purpose of Paragraph 17.02 <<immediate family>> is defined as wife or husband, daughter, son, brother, sister, father, mother, step-father, step-mother, father-in-law, mother-in-law, brother-in-law, sister-in-law, grandfather, grandmother and grandchildren of the employee.

17.04 – During the life of this Agreement, to further an employee's educational standard, a leave of absence may be granted without pay to one (1) employee at any one time, who has at least two (2) years seniority in the bargaining unit to attend on a full time basis, a course of studies of at least six (6) months duration at a recognized educational institute. Employees must submit a letter of acceptance from the institute not less than two (2) weeks prior to the start of the leave requested. Such leave shall at no time exceed the time required to complete the course of study in that academic year and Paragraph 17.01 shall apply. Seniority will be considered in granting leaves of absence, however if the course of studies lasts more than one (1) year, renewal of the leave will be considered ahead of new leaves.

17.04 b) - The Company will grant only one (1) additional leave for the whole of IOC bargaining units chain to the first qualified applicant from the bargaining unit which has exhausted its allotment.

17.05 - Pregnancy or parental leave of absence will be granted to employees who have acquired seniority in the bargaining unit. Such request for leave shall not be refused by the Company. Pregnancy leave shall commence between the second and the fourth month prior to the anticipated date of birth of the child and shall terminate at the latest six (6) months after the birth but shall not exceed a total of eight (8) months. Parental leave must begin within 35 weeks of the birth or coming into care and custody of the child but shall not exceed a total of twelve (12) weeks.

Such employees shall be restored to their former position if work is available and they are capable of performing the work, provided they return to work as outlined in Article VI. If their former position is not available such employees may exercise their displacement rights as outlined in Article VI. If the Company hires a new employee to fill a vacancy resulting from a pregnancy or parental leave of absence such employee may exercise any seniority rights that apply or be laid off without notice at the expiration of the leave of absence.

JURY DUTY

17.06 - Effective as of the date of the commencement of the Criminal Court in Labrador City, an employee who is summoned for jury duty or as a witness in a criminal or quasi criminal case in his/her county of residence and is required to lose time from his/her assignment as a result thereof shall be paid for actual time lost with a maximum of one (1) basic day's pay for each day lost, less the amount allowed him/her for jury or court duty for each such day excluding allowances paid by the Court for meals, lodging or transportation, subject to the following requirements and limitations:

17.06 a) - an employee must furnish the Company with a statement from the Court of jury allowances paid and the days on which jury or court duty was performed;

17.06 b) - the number of working days for which jury or court duty pay shall be paid is limited to a maximum of sixty (60) days on an eight (8) hour shift, forty-eight (48) on a ten (10) hour shift, or forty (40) days on a twelve (12) hour shift in any calendar year;

17.06 c) - no jury or court duty pay will be allowed for any day for which the employee is entitled to vacation or general holiday pay. An employee who is scheduled for his/her vacation while acting as juror or witness may reschedule his/her vacation in a free period;

17.06 d) - minimum notice of three (3) days, when possible, along with copy of the summons must be furnished to the employee's supervisor.

ARTICLE XVIII

SAFETY & HEALTH

18.01 a) - The Company, the Union and the employees recognize their obligations and rights according to the laws in force with respect to matters of safety, health and environment.

18.01 b) - The parties recognize that it is the responsibility of the Company to make necessary provisions for the safety , health and environment of its employees at the work place. In their desire to maintain high standards of safety , health and environment at the work place, the Company and the Union will cooperate in the continuing objective of eliminating accidents and health and environmental hazards and in advocating observance of safety, health and environment rules, procedures and policies.

18.01 c) – The Company and the Union agree that in order to achieve high safety standards, proper attitudes must be developed by all concerned due to the primary role of the human element in any sound accident prevention, industrial disease and environmental programs with visible support from senior management and the union executive.

18.02 a) – The Company recognizes the importance of an Environment, Health & Safety Committee to further safety and promote desirable communications to this effect. An Environment, Health & Safety Committee composed of up to two (2) members appointed by the Union and up to two (2) members appointed by Management shall be established. The Union and the Company shall designate their respective Co-Chairs and shall give written notice to each other of their respective Co-Chair and committee members. As far as possible, members should be representative of all work areas.

18.02 b) - Inspection tours of Company facilities by the Environment, Health and Safety Committee shall take place monthly or at other intervals as mutually agreed, to seek out unsafe acts and unsafe conditions, and this without loss of pay.

18.03 a) - In the discharge of its functions the committee shall: consider existing practices and rules relating to environment, safety and health, review and formulate appropriate and necessary suggestions for changes in existing practices and rules, recommend adoption of new practices and rules, review and revise proposed new safety, health and environmental programs, review and analyze the cause and means to be taken in case of unsafe acts and conditions, accident statistics and trends as well as noise, dust, fumes, gas, hazardous chemicals, cold and heat reports and make appropriate and necessary recommendations concerning the functions and duties set out above.

18.03 b) - Recommendations of the Environment, Health and Safety Committee together with supporting documentation and reasons shall be submitted to the Manager for his/her consideration in order to provide for the safety, health and environment of its employees during working hours and at all times when legitimately on Company property. The Manager will advise the committee of the appropriate action to be taken by the Company on the recommendations submitted.

18.04 - Number not used.

18.05 - The Committee shall hold a monthly meeting at a time determined by the Co-Chairs of both parties. Each Co-Chair shall submit a proposed agenda to the other Co-Chair at least five (5) days prior to the monthly meeting. The Company Co-Chair will provide the Union Co-Chair with minutes of the monthly meeting. Furthermore, should conditions warrant, the Co-Chairs, by mutual agreement, may call such meetings as they deem necessary. Members shall not lose their regular earnings while in attendance at the meetings.

18.06 – Prior to the monthly meeting, the Co-Chairs, or the designate of each Co-Chair, may inspect mutually selected work areas in respect of such matter as: accident investigation follow-up; excessive noise, heat, cold and hazardous chemicals, fumes, dust or vibration as they pertain to employee's health and reported unsafe conditions. A report of the inspection shall be prepared by the Company and transmitted to the Union Co-Chair setting forth their findings. The Company agrees to pay up to eight (8) hours per month for regular work hours lost due to such inspections and such noise tests and air samplings as the Union Co-Chair or delegate requests under this paragraph and Paragraph 18.09.

18.07 - In the case of accidents which result in disabling injury there will be a fact finding investigation and the Company will immediately, but not later than 24 hours from the time of the accident, notify the Union Co-Chair or a member of the Environment, Health & Safety Committee. In the case of accidents which did not, but could have resulted in disabling injury, such investigation will also be carried out if the Co-Chair deem it necessary. The Union Co-Chair, or the Environment, Health & Safety Committee designate, may visit the scene of the accident with the Company Co-Chair or designate. Each will submit his/her report to the Environment, Health and Safety Committee.

18.08 - At any time a safety hazard develops it may be addressed by the appropriate Union Environment, Health and Safety representative and brought to the attention of the area manager. This person will then advise the Union of the appropriate action to be taken by the Company.

18.09 - The Company will continue its program of air samplings and noise testing. Where the Union Co-Chair of the Environment, Health and Safety Committee alleges a significant on-the-job health hazard due to air pollution or noise, the Company, in the presence of the Co-Chair (or the regular designate if the Co-Chair is not at work), will also make such additional noise tests and air samplings as are necessary. A report based on such additional noise tests and air samplings shall be forwarded to the Environment, Health and Safety Committee.

18.10 a) - Should an employee or a group of employees believe that there exists an unsafe, unhealthy or dangerous condition with respect to the area in which he/she is working, other than the normal hazards in his/her work or working area, the employee shall have the right to stop working and he/she shall immediately report the condition to his/her supervisor who shall immediately investigate the condition and take steps necessary to correct it:

18.10 b) - If the employee is not satisfied with the decision of his/her supervisor, he/she shall have the right to be relieved from duty on the job in respect of which he/she has complained and will be assigned to another job at his/her regular rate, or the rate of the job performed if higher. Should the stoppage of work due to an alleged unsafe, unhealthy or dangerous condition affect other employees, such employees will be reassigned to other jobs at their regular rates, or the rate of the job performed if higher.

18.10 c) - As soon as possible a Union and a Company

representative of the Environment, Health and Safety Committee will be called in by the supervisor to inspect the alleged unsafe condition. The employee may be called in at the request of a committee representative.

18.10 d) - If the representatives agree that the condition was in fact unsafe, the employee shall be reassigned to the job when the unsafe condition has been remedied.

18.10 e) - If the representatives disagree as to the safety of the condition, the Union shall have the right to file a grievance at Step 2 of the grievance procedure in accordance with Paragraph 7.07 b) or request appropriate governmental intervention. On the other hand, the employee shall have the right to file a grievance at Step 2 of the grievance procedure for wages he/she claims to have lost as a result of the alleged unsafe condition.

18.10 f) - Number not used.

18.10 g) - Pending resolution of the matter, the Company has the right to offer the work in dispute to another monthly employee who will be advised of the refusal by the regular employee to perform the work for safety reasons. If this monthly employee refuses to perform the work in dispute, while awaiting the resolution of the problem by one or the other of the methods set out in e) above, the Company will have the right to continue to have the work performed.

18.10 h) - The Company may present a grievance in the event that Paragraph 18.10 is subject to vexatious or abusive treatment.

18.11 - Protective devices, wearing apparel and other equipment necessary to properly protect employees from injury shall be provided by the Company in accordance with practices now prevailing or as such practices may be improved from time to time by the Company. The Environment, Health and Safety and Health Committee may make recommendations with respect to this paragraph.

When the Company introduces new personal protective apparel or extends the use of protective apparel to new areas or issues new rules relating to the use of protective apparel, the matter will be discussed with the members of the Environment, Health and Safety Committee in advance in order for the committee to form an opinion as to the adequacy of the protective apparel and with the objective of increasing cooperation.

18.12 - The Company shall provide adequate first-aid during working hours.

18.13 a) - If time is needed by an employee during his/her normal working hours to visit the doctor as a result of a work accident and the time for such visit is not compensated for under the Workplace Health, Safety and Compensation Act, no loss of pay shall result.

18.13 b) (i) – Employees shall be allowed a complete annual industrial examination which will be carried out in accordance with the prescribed medical examination.

18.13 b) (ii) – The examination may be carried out by the physician designated by the Company or by the physician of the employee’s choice. Should the employee not use the services of the physician designated by the Company, the Company will pay an amount up to the cost of providing the complete industrial examination through the Company. Where the employee uses the services of the physician of his/her choice for the industrial examination, the examination results required for employment purposes shall be forwarded to the Company designated physician.

18.13 b) (iii) – The above examinations will be carried out outside the employee’s work hours and the employee will be allowed one (1) hour at his/her regular straight time rate for attendance at such examination. The employee will receive an invoice form from the Company. The form will state that the employee has taken the prescribed examination. On receipt of the invoice the Company will pay the doctor ‘s fee up to the agreed amount prescribed for such examination.

18.13 b) (iv) - Should the Company require an employee to be examined by the Company designated physician during the employee’s regular scheduled shift, no loss of pay shall result.

18.14 a) - A copy of the Safety Department's report on lost-time accidents and a first-aid station report shall be forwarded to the Union Co-Chair of the Environment, Health and Safety Committee. Such report may be discussed at committee meetings.

18.14 b) – When an employee signs a form prescribed by the Workplace Health, Safety and Compensation Commission, a copy of such form, as submitted by the Company to the Commission, will be made available to the Union upon request.

18.14 c) – When the Company contests a request for indemnity the Union will be advised of such contestation.

18.15 – During the life of the present Collective Agreement, it is the intent of the Company to provide for eye examinations and prescription safety glasses under the following conditions:

18.15 a) - if the employee does not use the services of the Company optometrist, he/she will be reimbursed a maximum of forty dollars (\$40.00) for an eye examination, not more than once a year, upon presentation of a proper doctor's invoice;

18.15 b) - the Company will pay an amount up to the cost of providing the safety glasses through the Company twice per year;

18.15 c) – under the same conditions as b) above, the Company will replace safety glasses broken or damaged on the job.

ARTICLE XIX

NOTICES

19.01 - Any notice in writing which either party desires to give to the other shall be given by registered mail or e-mail, postage prepaid, addressed as follows:

To the Company:

Iron Ore Company of Canada
P.O. Box 1000
Labrador City, Newfoundland
A2V 2L8

To the Union:

Recording Secretary, Local 6731
United Steelworkers of America
105 Hudson Drive
Labrador City, Newfoundland
A2V 1L4

19.02 - Any notice so mailed shall be deemed given as of the next business day after date of mailing. The registration receipt or e-mail confirmation shall establish the date of mailing.

19.03 – Provisions of this Article apply to all Articles having time limits.

19.04 - Either party may change its address for service of notices at any time by notice as above mentioned.

ARTICLE XX

CONTRACTING OUT

20.01 - The Company will do work normally performed by the employees of the bargaining unit with its employees as defined in the Collective Agreement. Contracting out will be kept to a minimum.

20.02 a) - No employee in the bargaining unit will be laid off or displaced to a lower rated job because of work normally accomplished by the employees in the bargaining unit being contracted out, or such work being performed on site by a contractor. Furthermore, before contracting out such work, the Company will recall, in accordance with 6.05 e), qualified employees who are laid off or displaced, for such work, provided these employees are available.

20.02 b) - No employee working in a job in the department or departments in which a contractor is employed will be displaced from his/her department, because of the contractor's work, during the period of time a contractor's employee is working in a similar occupation on site. Employees working in the department or departments where a contractor is employed will be scheduled for not less than the same number of hours per week as employees in the bargaining unit working in other departments.

20.03 - In accordance with Paragraph 20.04, before the Company finally decides to contract out work normally performed by the bargaining unit employees, the Company will provide the Contracting Out Committee with detailed information as set out in Appendix <<D>> so that the Union members of the committee can adequately form an opinion as to whether or not such work should or should not be contracted out. Should the scope of the contractor's work be changed during the contract period, the changes will be treated as a new contract.

20.04 - Not less than ten (10) days before the Company finally decides to contract work which is normally carried out by its regular qualified employees, the Company will notify the Union committee in writing. When the Company cannot give the ten (10) days notice, a verbal notice will be given immediately it becomes possible to do so and confirmed by telegram. Within five (5) days of the notice providing the detailed information as set out in 20.03, should the Union committee so request, a meeting of the committee will be held to review this information.

20.05 - The Committee mentioned in 20.03 shall be composed of three (3) Union representatives and three (3) Company representatives. If a meeting is desired, the Union committee members shall not lose regular earnings while in attendance at this meeting. Upon request, one (1) member of the Union committee will be allowed four (4) hours per month at his/her regular rate to investigate contracting out matters in conjunction with a Company representative.

20.06 - Any alleged violation of the provisions of Article XX shall be subject to the grievance procedure and processed in accordance with Paragraph 7.07 b).

20.07 - An individual employee who has been laid off or displaced in violation of the provisions of Paragraph 20.02 may file a personal grievance for the pay he/she claims to have lost.

20.08 - A contractor working on site under Paragraphs 20.03 and 20.04 will not perform repair, maintenance or production work, not associated with this contract, normally performed by bargaining unit employees. Should this occur an employee may lodge a grievance at Step II in accordance with the provisions of Paragraph 2.03 and any claim payable will apply from the date the grievance was filed.

20.09 - SPECIAL ACCELERATED ARBITRATION PROCEDURE

20.09 a) Purpose

The purpose of this special accelerated arbitration procedure is to settle expeditiously disagreements relating to contracting out work within the context of Article XX of the Collective Agreement. These provisions are not necessarily related to an announced layoff.

20.09 b) Nomination of the Arbitrators

Both parties agree to name five (5) arbitrators who will be available on request. They must devote the time necessary to carry out their functions and responsibilities.

The expenses of the arbitration shall be paid equally by the Union and the Company.

20.09 c) List of Arbitrators

Ms. Christine Fagan
Mr. Ian Bruce
Dr. John Scott
Mr. D. Alcock
Mr. Rupert C. Short

20.09 d) Arbitration Procedure

Once a written grievance has been filed according to the provision of Article XX, it may be referred to an arbitrator provided for in the accelerated procedure. The following procedure will be followed:

20.09 d) (i) - Once the grievance has been filed, either president of the parties contracting out committee will contact one of the arbitrators in rotation so that he/she may set the grievance hearing as soon as possible. The hearing will take place as soon as the arbitrator has indicated his/her availability.

20.09 d) (ii) - The arbitrator will examine the facts and the parties will proceed with their argument. When one or more witnesses are deemed necessary to clarify facts, they will be heard promptly.

20.09 d) (iii) - If the arbitrator deems it advisable he/she may visit the site with one or more representatives of both parties.

20.09 d) (iv) - If objections are raised during the hearing and if the arbitrator does not rule on them immediately, he/she will take them under advisement and will rule on them at time of decision.

20.09 d) (v) - The arguments of the parties will be heard during the hearing.

20.09 e) Responsibilities and Duties of the Arbitrator

20.09 e) (i) – Subject to the foregoing, the arbitrator will render his/her decision on the bench and will confirm the decision in writing within five (5) days of the hearing.

20.09 e) (ii) - The authority of the arbitrator is limited to the application and interpretation of the Collective Agreement and to the grievance in dispute.

20.09 e) (iii) – The arbitrator is prohibited from rendering a decision inconsistent with the provisions of the collective agreement. The decision will be binding on both parties and shall not create a precedent.

ARTICLE XXI

STRIKES AND LOCK-OUTS

21.01 - The Company agrees that there shall be no lock-out during the life of this Agreement.

21.02 - On the other hand and for the same reason the Union agrees that there shall be no strike, picketing, concerted slowdown or stoppage of work.

21.03 - The Union further agrees that it will not involve any employee of the Company, or the Company itself, in any dispute which may arise between any other employer and the employees of such other employer. An employee who holds a Union position at the Company and is granted a leave of absence under the provisions of Article 4.09 is not touched by the above provision in exercising a Union representative function in a difference involving another employer.

ARTICLE XXII

AUTHORITY OF THE UNION

22.01 - The United Steelworkers of America (Local 6731), and its duly appointed or elected representatives agree that they have authority from the members of the said Union to enter into this Agreement and agree that this Agreement shall be binding upon the same Union and/or its members under the Laws of the Province of Newfoundland and Labrador.

ARTICLE XXIII

VALIDITY OF THE AGREEMENT

23.01 - If any provision of this Agreement is void in view of the provisions of the Labour Relations Act of the Province of Newfoundland -Labrador, the other provisions of the Agreement shall not be affected in any way by such nullity.

ARTICLE XXIV

HEADNOTES

24.01 - Headings, titles and sub-titles for the various paragraphs are not part of the Agreement, nor are they to be construed as such.

Steelworkers of America (Local 6731) have hereunto set their hands and seals.

ARTICLE XXV

LEGAL TEXT

25.01 - The English text is the legal text of this collective agreement.

ARTICLE XXVI

DURATION OF THE AGREEMENT

26.01 - This Agreement shall become effective on March 1, 1999 and shall remain in full force and effect until the 29th day of February 2004.

26.02 – Within the ninety (90) days preceding the expiration of this Agreement, either party may notify the other party of its desire to negotiate the terms and conditions of a new Agreement.

IN WITNESS WHEREOF Iron Ore Company of Canada has caused its corporate seal to be affixed under the hands of its proper officers in that behalf and the duly appointed or elected representatives of United Steelworkers of America (Local 6731) have hereunto set their hands and seals this 4th day of May, 1999.

IRON ORE COMPANY OF CANADA

J. LeBoutillier

B. Oliver

D. Porter

M. Sefsik

J. Stewart

A. Robertson

S. Hunt

G. Nichols

L. McHattie

T. Smith

T. Burry

P. George

UNITED STEELWORKERS OF AMERICA
Local 6731

C. Ludee

T. Harris

P. Pynn

C. Flynn

P. Morris

H. Rowsell

S. Myers

APPENDIX 'A'

**JOB EVALUATION PLAN
MANUAL**

For

**JOB DESCRIPTION,
CLASSIFICATION**

And

WAGE ADMINISTRATION

APPENDIX “B”

The grades specified in Paragraph 13.02 cover the following job:

Grade 5 – Storeperson.

APPENDIX “C”

CONSULTATIVE MACHINERY

Upon request, the Executive Vice President and the Manager, Human Resources will meet with the officers of Local Union who will be accompanied by the Area Coordinator of the International Union, to exchange views on matters of common interest not covered by this Agreement.

Problems which may arise with respect to the administration of the Apprenticeship Program may also be discussed under this Appendix.

The matters to be discussed must be incorporated in an agenda signed by the President of the Local Union and addressed to the Executive Vice President with copies to the Manager, Human Resources.

Within seven (7) days of receipt of the agenda, the Company will suggest a date for such meeting to take place.

Such a meeting will also be held at the request of the Company.

APPENDIX “D”

CONTRACTING OUT REQUIREMENT LIST

1. Description of proposed work:

2. Manpower (including special skills):

3. Equipment and/or facilities:

4. Material:

5. Planned Starting date: _____

Planned completion date: _____

6. Other remarks:

Signature

APPENDIX ‘E’

COST OF LIVING ALLOWANCE

Iron Ore Company of Canada

And

QNS&L

Unionized Employees

March 1, 1999

APPENDIX ‘F’

HEALTH CARE PLAN

Iron Ore Company of Canada

And

QNS&L

Unionized Employees

March 1, 1999

APPENDIX "F-1"

DENTAL PLAN INSURANCE

Iron Ore Company of Canada

And

QNS&L

Unionized Employees

March 1, 1999

APPENDIX ‘F-2’

**RETIREMENT PLAN
FOR THE UNIONIZED EMPLOYEES OF
IRON ORE COMPANY OF CANADA
QUEBEC NORTH SHORE
& LABRADOR RAILWAY
AND ASSOCIATED AND SUBSIDIARY COMPANIES**

March 1, 1999

APPENDIX “G”

AIR TRANSPORTATION

The Air Transportation Benefit is provided, at Company cost, for employees and their families permanently residing at Labrador City, once per year per family at the time of his/her annual vacation. For married employees, the benefit will be provided for the employee, the spouse and their children. Children are defined as not fully employed children under 18 or who are full time students under 24. The Air Transportation benefit will cover the cost of air transportation from Labrador City to St. John's, Newfoundland and return, at the lowest applicable cost to the Company had the employee and his/her family travelled at the same time; 100% of which will be advanced when leaving for annual vacation.

APPENDIX “H”

A) - The following protective clothing and equipment will be provided at Company expense to provide safe job working conditions:

1. The Company will supply to all employees leather, rubber and cotton gloves as well as mitts, according to the requirements of their job.
2. Rubber gloves as used by linepeople or protective leather mitts will be supplied to electricians.
3. Leather gloves, jackets, cape sleeves, leg protectors and welder masks will be supplied to welders.
4. Neoprene gloves will be supplied to employees working with acids or strong detergents.
5. Rubber gloves, lab coats and protective masks will be supplied to laboratory employees.
6. Life jackets will be supplied to employees working where there is danger of falling in the water.

7. Liners for safety hats will be supplied to employees according to the requirements of their job.
8. Ear plugs or muffs will be supplied to employees according to the requirements of their job.
9. Adequate additional protective clothing (waterproof jackets and pants) or rubber boots will be supplied to all employees for weather protection according to the requirements of their job.

The above-mentioned items will be replaced as required provided the worn-out item is returned to the Company.

B) Safety hats:

1. All employees will be supplied a safety hat;
2. The Company will replace lost hats at employee's expense;
3. Hats broken, damaged or lost at work will be replaced free, provided they were properly worn or used at the time they were damaged or lost.

C) Face masks/Respirators:

1. Face masks or respirators will be supplied to all employees before working in areas contaminated by dust, gas or fumes;
2. Face masks or respirators lost will be replaced at employee's expense;
3. Broken, damaged or lost masks or respirators will be replaced free, provided they were properly worn or used at the time they were damaged or lost.

D) Safety Glasses:

1. All employees will be supplied one (1) pair of safety glasses;
2. The Company will replace safety glasses lost at employee's expense;
3. Broken, damaged or lost safety glasses will be replaced free, provided they were properly worn or used at the time they were damaged or lost.

E) Safety Locks

Safety locks and keys used for lock-out procedure will be supplied to all employees required to use same.

All of the above-mentioned items must be turned in when the employee quits the Company, otherwise he/she will be charged for these items.

F) Personal Protective Apparel

1. The Company shall provide, on April first of each year commencing on April 1, 1996, an allowance in the value of seven hundred and twenty-five (\$725.00) for welders and two hundred and eighty-five dollars (\$285.00) for all other employees, for the purposes of purchasing approved personal protective apparel. There shall be no replacement of lost, damaged or stolen items excepting as provided for in the allowance amount.
2. Personal Protective Apparel eligible for purchase with the above allowance value shall include:
 - i) approved safety footwear
 - ii) regular work coveralls
 - iii) insulated work coveralls
 - iv) industrial work shirts and work pants.

3. The Company shall continue its practice of providing apparel washing facilities at the workplace for coveralls only.
4. The Union President or his/her designate and representatives of the Material Management Department and Employee Relations Department shall meet annually for the purposes of reviewing bids and awarding annual supply contracts. The purchase of said protective apparel shall be conducted in a manner so as to maximize available product quality at minimum cost and reduced administrative burden for the Company.

APPENDIX "I"

**AGREEMENT ON TECHNOLOGICAL
ORGANIZATIONAL OR
OPERATIONAL CHANGES**

1999

APPENDIX “J”

EMPLOYMENT BENEFITS AND SPOUSE OR FAMILY STATUS

1. For the purposes of application of Company employment benefits, the Company will recognize as spouse, not only legally or religiously married spouses, but also upon designation in writing by an employee, filed with the employer, such an employee and a person of the opposite sex, if they have been publicly represented as husband and wife and still are at the time an event occurs that may entitle them to a Company benefit, provided they have been living together

a) at least one (1) year, if none of them is still married to any other person, or

b) at least three (3) years, if one or both of them is still married to another person. If the marital union has not been legally contracted, the spouse will not be considered as such if a period of three (3) months has elapsed during which the spouse has not cohabited.

In case of divorce or annulment of marriage, the spouse will not be considered as such from the date that the divorce or annulment is declared.

2. Benefits covered under this appendix include Life and Death or Dismemberment Accidental Insurance, Medical & Hospital Expense Insurance, Pension Plan, Northern Allowance, Air Transportation, Dental Insurance and any other benefits for which family status is of concern, whether or not the persons are employees and whether or not they are covered or not covered under a collective agreement.
3. Company benefits will be applied on the following principles:
 - a) Where both spouses are employed by the Company, it is understood that the Company's intent in the administration of any employee benefit is to avoid overlapping payments to the spouses and/or the dependents if any.
 - b) Any person eligible for a Company benefit as a Company employee is excluded from claiming the same benefit as a dependent of that employee, and neither of them can claim at the same time the benefit as supporting the other as a dependent.
 - c) When a benefit is granted as a family benefit such as Air Transportation, it can be claimed only by one of the spouses and the Company liability will not exceed 100% of the amount payable for the whole family.

- d) Unless spouses that are both employees agree otherwise and notify the Company, a family benefit will be paid to the male employee.
4. Failure to provide the documentation required to determine dependent status of an employee will result in an employee maintaining single status.

APPENDIX "K"

**AGREEMENT ON
SUPPLEMENTARY UNEMPLOYMENT
BENEFIT PLAN**

March 1, 1999

LETTER OF UNDERSTANDING

LOCAL 6731

#	Issues	Page
1	Students	107
2	Reporting Procedure for Shift Absence	107
3	Severance Pay Plan	108
4	Three days Sickness	108
5	Hydro Rate	108
6	Mortgage Subsidy	109
7	Job Class Rate	109
8	10 Hour Shift	109
9	CLC Education Course	109
10	Workplace Change	110
11	Air Transportation for Recalled Employees	111
12	Local Issues:	
	1) Hot Lunches	112
	2) Apartment Rents	113
	3) Control of Stockyard by Storepersons	113
	4) Stocking of Warehouse Materials in Sub-Warehouses controlled by the Warehouse	113

IRON ORE COMPANY OF CANADA

P.O. Box 1000
Labrador City,
Newfoundland
A2V 2L8

President, Local 6731
United Steelworkers of America
105 Hudson Drive
Labrador City, Newfoundland
A2V 1L4

Dear Sir:

ISSUE #1 – STUDENTS

The Company and the Union have agreed to follow the concepts set out in the 1998 Student Employment Program should Management decide hiring is necessary and the number of students required. Pre-requisites will be considered part of the student's academic program.

ISSUE #2 – PROCEDURE FOR REPORTING SHIFT ABSENCE

In order that proper job coverage may be maintained or the necessary replacement obtained, employees who must absent themselves for any reason from their regular shift without having received prior permission to do so, will arrange to contact SECURITY AT 944-2212 prior to the beginning of the shift or as soon as possible. Should the Company require medical certification of an employee's fitness to return to work, the employee will have two (2) days or as mutually agreed based on doctor availability, after his/her return to work to provide such certification. The Company will pay for the required examination. Employees who:

- 1) Do not carry out the foregoing,
- 2) Repeatedly make contact after the start of the shift,
- 3) Absent themselves unduly,

will be subject to DISCIPLINE.

ISSUE #3 – SEVERANCE PAY PLAN

In the event there is a permanent shutdown of the Iron Ore Company of Canada or the Quebec North Shore & Labrador Railway (QNS&L), the Company agrees to meet with the Union on this matter and negotiate a severance pay plan.

ISSUE #4 - 3 DAY SICKNESS PROVISION

Effective as of the signature date of the collective agreement an employee absent for sickness for more than three (3) days will receive up to three (3) days pay at his/her regular daily rate for the first three (3) days of sickness not covered by the weekly indemnity provision of the Welfare Plan provided a claim for weekly indemnity benefits is approved and provided this employee was scheduled to work those three (3) days.

ISSUE #5 – HYDRO RATE

This confirms the Company's intent to reimburse employees for any increase in utility cost as a result of hydro rate increases during the life of the current Collective Agreement regardless of the ownership of the Power Utility Company.

Reimbursement will be in the form of a cash payment in the last pay period of each year.

ISSUE #6 – MORTGAGE SUBSIDY

This will confirm the Company's intent to continue the mortgage subsidy policy for existing and new mortgage holders for the life of the Collective Agreement.

Effective January 1, 1991 all employees, regardless of dependent status, will be eligible to apply for the Iron Ore Company of Canada Mortgage Subsidy Program. As of the same date, the program will be amended to provide a maximum of fifteen (15) years' interest subsidy to new participants.

ISSUE #7 - JOB CLASS RATE

As agreed between the Company and Union, the job class of Storeperson will be maintained at the equivalent of CWS Class 15.

ISSUE #8 - 10 HOUR SHIFTS

In order to introduce the 10 hour shifts where necessary, the Company has agreed with the Union to a one time trial period after which time a vote by the concerned employees will determine the viability of the shift.

ISSUE #9 - CLC EDUCATION COURSE

This will confirm the agreement reached during recent negotiations regarding the Canadian Labour College. The Company will pay, over the life of the Collective Agreement, twelve hundred and fifty dollars (\$1250.00) to the Union should their members attend a recognized CLC education course.

ISSUE #10 – WORKPLACE CHANGE AND CONSULTATIVE PROCESS

The parties recognize that workplace change may influence the necessary skills of employees within the bargaining unit. For employees who are affected by such changes, it is agreed that the following shall apply:

- a) Prior to the workplace change taking place, the Union and the Company will meet and complete details of the workplace change will be fully discussed.
- b) Changes to existing jobs or any new job which may be introduced as a result of workplace change will be evaluated in accordance with the JEP provisions of the Collective Agreement.
- c) Employees will be adequately trained in the workplace change(s) to their classification.
- d) Layoffs shall be kept to a minimum; however, should layoffs become necessary, voluntary termination shall be offered to the most senior employee(s) in the classification affected. Should the most senior employee(s) not accept the offer then the offer will be extended to the next most senior and so on in descending order to the most junior employee in the classification.
- e) Employees who accept the offer of termination will be compensated for at the rate of two (2) weeks of pay at the basic rate of the employee(s)' classification multiplied by the employee(s)' years of service.
- f) Should no employee within the occupation affected accept the offer of layoff, the normal provisions of the collective agreement relating to layoffs will apply.
- g) It is recognized the workforce reductions arising out of other causes are not to be considered under the terms of d) and e) above.

ISSUE #11 – VACATION ENTITLEMENT AND AIR TRANSPORTATION BENEFITS FOR RECALLED EMPLOYEES

- A. Based on the number of weeks worked, employees who have earnings and did not take their vacation pay upon layoff will be entitled to vacation and prorated Air Transportation Benefits in the following year, if recalled.
- B. **Prorated Air Transportation Criteria**
 - 1 to 12 weeks worked - 0%
 - 13 weeks worked - 25%
 - 14 weeks + worked - 25% + 5%for each additional week worked to a maximum of 100%.
- C. Employees must take vacation in order to access Air Transportation Benefits.
- D. The employee, if recalled, will be recalled one week earlier and placed on vacation for that week.
- E. If an employee is scheduled for vacation and then laid off, he/her may request their vacation remain as scheduled.
- F. All other Air Transportation Benefits criteria are as per Appendix G.

ISSUE #12 - LOCAL ISSUES

#1 Hot Lunches

- a) Second lunch when working double shift.
- b) Hot or cold beverage with the hot lunch.
- c) Quality of hot lunches, greater selection and posting of menu.

Employees who work more than two (2) hours of overtime immediately following their regular shift will receive a hot lunch; if they continue to work beyond four (4) hours of overtime a cold lunch will also be provided. Where it is known in advance that the overtime will be over four (4) hours, both lunches will be delivered at the same time. In incidents where a full shift of overtime immediately precedes the employee's regular shift, the employee will be given a hot lunch after he/she has completed the overtime shift and as early as possible into the regular shift. It is understood that hot lunches will not be given whereby either of the shifts is a shift change (T.D. 71 or 49).

The employee working overtime and who qualifies for a lunch will be given a choice of a hot (coffee or tea) beverage or a cold (soft drink or pint of milk) beverage with a hot lunch. With a cold lunch a cold beverage will be supplied.

The menu will allow choice of a hot lunch from two (2) main meals and two (2) alternates. Menu selections will be varied and posted every two (2) months.

The Union may select one (1) person to bring problems regarding quality and selection of lunches to the attention of Employee Relations who will arrange a meeting with the supplier where necessary.

If practical, the Company will endeavour to have two (2) suppliers available for the supply of lunches.

#2 Apartment Rents

For the life of the present Collective Agreement, there will be no increases to monthly rental rates of apartments presently being rented by IOC employees in Labrador City. However, all new leasees will be charged the current approved rates.

#3 Control of Stockyard by Storepersons

The Company agrees that it is the function of the Storepersons to control all inventory items entering and exiting the stockyard.

#4 Stocking of Warehouse Materials in Sub-Warehouses Controlled by the Warehouse

The Company agrees that it is the function of the Storepersons to stock inventory items in the sub-warehouse currently controlled by the Warehouse.

Yours truly,

Iron Ore Company of Canada

**GOOD
HEALTH, SAFETY
AND
ENVIRONMENTAL
HABITS
AND
PRACTICES

ARE
REWARDING

FOR LIFE**