

WELDED TUBE OF CANADA

SOURCE	C.C.		
EFF.	94	13	01
TERM.	76	3	73
No. OF EMPLOYEES	216		
NO. D'EMPLOYÉS	216		



COLLECTIVE AGREEMENT

for

WELDED TUBE'S HOURLY EMPLOYEES

A COMPANY OF
PEOPLE AND TECHNOLOGY
WORKING TOGETHER TO SERVE CUSTOMERS
BY PROVIDING
ON TIME QUALITY PRODUCTION SAFELY

2-1931-251

THIS COLLECTIVE AGREEMENT made as of the 1st day December, 1994

B E T W E E N:

**WELDED TUBE OF CANADA LIMITED,
(hereinafter called the "Company")**

OF THE FIRST PART

-and-

**UNITED STEELWORKERS OF AMERICA,
(hereinafter called the "Union")**

OF THE SECOND PART

JUN 27 1997

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ARTICLE I- PURPOSE

- 1.01** The general purpose of the Agreement and schedules is to establish satisfactory relations between the Company and its employees, to provide a means for the prompt disposition of grievances and to establish and maintain satisfactory working conditions, hours of work and wages for all employees of the Company who are subject to the provisions of the Agreement.

ARTICLE II - BARGAINING AGENCY AND RECOGNITION

- 2.01** The Company recognizes the Union as the sole and exclusive bargaining agency for all its employees of Welded Tube of Canada Limited in the City of Vaughan, and within a radius of twenty (20) miles outside the City of Vaughan, save and except foreman, persons above the rank of foreman, office and sales staff.

ARTICLE III -WORK BY EXCLUDED PERSONS

- 3.01** Persons whose regular jobs are not in the bargaining unit shall not work on any jobs which are included in the bargaining unit except for purposes of instruction and experimentation, or in emergencies when bargaining unit employees are not available. In the event that employees are not available, the Company will endeavour to bring in an employee to fill the vacancy by calling up two (2) employees.

Grievances arising over an alleged violation of the above clause must be filed within two (2) days of the occurrence and will be heard initially on the second step of the Grievance Procedure. If the Company agrees at any step of the Grievance Procedure that there has been a violation of this section by Management, or supervisory personnel, or foreman, or if the arbitrator so determines, the employee who would have performed the work will receive reasonable award. In any event, the award will be no less than an hour's pay.

ARTICLE IV - RELATIONSHIP

- 4.01** There will be no discrimination, intimidation, restraint or coercion exercised or practised by the Company or any of its representatives against any employee because the employee's membership in or connection with the Union. The Company, the Union and all members of the bargaining unit will comply with the Ontario Human Rights Code.
- 4.02** There will be no discrimination, intimidation, restraint or coercion exercised or practised by the Union or its members or representatives against any of the employees of the Company.

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- 4.03** There will be no solicitation for membership or collection of dues by the Union or its members or representatives on the premises of the Company during the working hours of employees, except with the consent of the Company.
- 4.04** The Company and the Union agree in principle that there will be a joint orientation presentation to new employees.

ARTICLE V - MANAGEMENT RIGHTS

- 5.01** The Management of the Company's operation and the selection and direction of its employees shall continue to be exclusively vested with the Company.

ARTICLE VI - NO STRIKES OR LOCKOUTS

- 6.01** There shall be no strikes or lockouts during the term of this Agreement. The terms "strike" and "lockout" shall be defined as in the Labour Relations Act of the Province of Ontario.

ARTICLE VII - UNION SECURITY PROVISIONS

- 7.01** The Company agrees that any present employee of the Company, who at the date of this Agreement, is a member of the Union, or any employee who, hereafter during the term of this Agreement, becomes a member of the Union shall, as a condition of the continued employment, maintain membership in good standing.
- 7.02** The Company shall deduct, as a condition of employment, from the weekly wage of each employee in the bargaining unit, Union dues and assessments in the amount certified by the Union to the Company to be currently in effect according to the Union's constitution. Such deductions shall be made weekly and shall be remitted by the 15th of the month following when the deductions are made and made payable to the International Treasurer of the United Steelworkers of America and forwarded to 25 Cecil Street, Toronto, Ontario.
- The monthly dues remittances shall be accompanied by a copy of the checkoff list for the pay period in which deductions were made. The list shall set forth the names of the employees and the amount of dues and sums equivalent to the union dues.
- 7.03** The Union will save the Company harmless from any and all claims which may be made by employees against the Company for amounts deducted from wages in accordance with the terms of the Article.

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ARTICLE VIII - UNION REPRESENTATION

- 8.01 a) Employees of the Company who are appointed or otherwise selected to act as members of the Union Committee or as a Steward, have regular duties to perform. Such employees will not leave their work for the purpose of conducting any business on behalf of the Union without receiving permission from their immediate Supervisor, which shall not be unreasonably withheld. In consideration of Stewards and Union Committee members observing the terms of this section, they will be paid for time spent in meetings with the Company during working hours, excluding any conciliation or arbitration proceedings.
- b) The Union President is to work his normal scheduled shift and in addition to be paid for up to three hours per week at regular straight-time rates for Union business to take place on off shift hours.
- 8.02 The Company acknowledges the right of the Union to appoint or otherwise select a committee of three employees. It shall be the duty of this committee to deal with the Company in negotiation of modification of this Agreement or its administration, and to present to the Company such grievances as may be processed beyond the first step of the grievance procedure.
- 8.03 The Union shall have the right to appoint or otherwise select five (5) Stewards from among the employees, one (1) of whom shall be the Chief Steward, to be allocated as follows:
- (i) A maximum of three (3) Stewards at the Rayette Road location, provided that so long as there are only (2) shifts in operation at such location, there shall be two (2) stewards allocated to the day shift and one (1) Steward to the night shift;
 - (ii) A maximum of two (2) Stewards at the Bowes Road location, provided that the appointment of a second Steward shall not become effective until the commencement of the second shift at such location:
 - (iii) A maximum of two (2) Stewards at any other location other than Bowes Road and Rayette Road which the Company may move to, provided that the appointment of a second steward will not become effective until the commencement of a second shift at such location.

It shall be the duty of the Steward to assist employees in presenting grievances to supervisors where such assistance is requested.

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- 8.04 The Company will be required to meet a total of not more than two (2) Committee representatives and/or Stewards at any one time in addition to any full-time representatives of the Union that may be called in to assist the Committee.
- 8.05 No employee will be eligible to act as a Steward or to act on the Union Committee until after he has completed the probationary period of employment.
- 8.06 Seniority Preference
In the event of layoff and so long as there is work available which they are able to perform, the following officers of the Union during their term of office only shall be considered as having leading seniority only as applied to layoff and recall after layoff: President, ~~Vice~~ President, Treasurer, Financial Secretary, Recording Secretary and five Stewards.

The Union will notify the Company in writing giving the names of such union officers.
- 8.07 Representatives of the Union shall have access to the Company's premises, providing they do not cause workmen to neglect their work, and having obtained clearance from the Company.
- 8.08 Credit Union: The Company agrees to deduct from the pay of any employee such amount as may be authorized by him and forward same, with the required information to the Toronto Steelworkers' Credit Union. It is further agreed that the Company may limit changes in the amount to be deducted to once every three (3) months for any employee.

ARTICLE IX - COMPLAINTS AND GRIEVANCES

- 9.01 Grievances properly arising under this Agreement shall be taken up in the following manner:
- i) If an employee has a complaint he wishes to bring to the attention of the Company, he shall take the matter up orally with his immediate supervisor. The employee may, if he wishes, be accompanied by his Steward when discussing any complaint with his supervisor.
 - ii) Step 1 - If the reply of the supervisor is not satisfactory to the employee concerned, the complaint may be submitted as a grievance to the Plant Management within three (3) working days following the supervisor's discussion and the complaint shall be stated in writing, dated and signed. The Plant Management will meet with the employee concerned and the Union Committee to discuss the grievance and will give its reply in writing, within two (2) working days after the said meeting.

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- iii) **Step 2** - If the reply of the Plant Management is not satisfactory to the employee concerned, the grievance may, within three (3) working days following the date of the said reply be submitted to the General Manager of the Company or his designate. The General Manager and/or such other persons as may be designated by the Company, will meet with the Union Committee to discuss the grievance. At this meeting, a fulltime representative of the Union may be present if his presence is requested by either party. The General Manager or designates will give their reply to the grievance, in writing, within five (5) working days after the said meeting has been held.
- 9.02 If a grievance is to be referred to arbitration, the request for arbitration must be made within ten (10) days after the date of the Company General Manager's reply to the grievance.
- 9.03 Any of the time allowances provided in this Article may be extended by mutual agreement, in writing, between the parties concerned.
- 9.04 The Company may refuse to consider any complaint or grievance, the circumstances of which arose more than ten working days before it was brought to the attention of the Company.
- 9.05 An employee who has been subjected to disciplinary action will have his record amended to delete such reference to disciplinary action following the period of twenty-four (24) months of such disciplinary action for absenteeism or lateness.
- 9.06 If a grievance affects more than one employee, then one grievance signed by an employee shall suffice as a grievance from all the employees.

ARTICLE X - ARBITRATION

- 10.01 Both parties to the Agreement agree that 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 Article IX above and which has not been settled, will be referred to Arbitration at the written request of either of the parties hereto.
- 10.02 The Arbitration procedure incorporated in this Agreement shall be based on the use of the sole Arbitrator.
- 10.03 When either party requests that a grievance be submitted to arbitration, such request shall be made by registered mail addressed to the other party of the Agreement within the time limits identified in Article 9.02.

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10.04 The appointment of an arbitrator shall be made in rotations, for the panel of arbitrators listed below, starting with the first name. If the Arbitrator cannot hear the grievance which has been referred, the next arbitrator in rotation shall be approached.

The panel of Arbitrators shall be as follows:

- (A) Dr. Arjun P. Aggarwal
- (D) Donald E. Franks
- (O) Owen B. Shime
- (P) Dr. Peter Warrian

10.05 Each of the parties hereto will bear its own expense with respect to any arbitration proceedings. The parties hereto will bear jointly the expenses of the arbitrator on an equal basis.

10.06 No matter may be submitted to arbitration which has not been properly carried through all previous steps of the grievance procedure, except that this will not apply to grievances relating to discharge which shall be processed in accordance with Article XII.

10.07 The Arbitrator shall not be authorized, nor shall the arbitrator assume authority to alter, modify, or amend any part of this Agreement, nor to make decisions inconsistent with the provisions thereof.

10.08 The decision of the Arbitrator shall be final and binding on the parties.

ARTICLE XI - COMPANY GRIEVANCES

11.01 If the Company has a complaint with respect to the conduct of the Union, its officers, committeemen or stewards or a complaint that the Union or any of its members have violated the provisions of this Agreement, the Company will submit such complaints to the Union and it will be taken up between the parties in the same manner as a written grievance. If the complaint is not settled to the satisfaction of both parties, it may be referred to arbitration.

ARTICLE XII - DISCHARGE CASES

12.01 A claim by an employee that he has been unjustly discharged for his employment shall be treated as a special grievance, commencing at the Plant Manager's stage of the grievance procedure, if a written statement of such claim is lodged with the Company within four (4) working days after discharge action has been taken by the Company.

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- 12.02** Such special grievances may be settled by confirming the management's action in dismissing the employee or by reinstating the employee with full compensation for time lost, or by any other arrangement which is just equitable in the opinion of the conferring parties or the Arbitrator.
- 12.03** When an employee has been dismissed without notice, he shall have the right to interview his Steward for a period of ten minutes before leaving the Company's premises. The Company shall advise the Steward of such dismissal as soon as is practical.

ARTICLE XIII - SENIORITY

- 13.01** a) The parties recognize that job opportunity and seniority should increase in proportion to length of service. It is agreed that the term 'seniority' as used herein, shall have reference to an employee's right to a job based upon his length of service with the Company, and his ability to efficiently fulfil the job requirement.
- b) An employee will be considered on probation and will not have any seniority standing with the Company until after he has completed forty-five (45) days of work. His seniority will then date back the forty-five (45) days of work he has completed.
- c) The Company will have the right to terminate the employment of a probationary employee at its sole discretion provided it does not act in an arbitrary or discretionary manner in doing so.
- 13.02** a) The Company shall prepare seniority lists of all employees and present same to the Union within thirty (30) days of the signing of this Agreement. Said lists shall commence with the most senior employee, carry on downward to the most junior employee, and contain the following information:
- 1) Employee's name and clock number;
 - 2) Employee's starting date;
 - 3) Employee's length of service in years and days;
 - 4) Employee's regular classification and regular rate of pay.
- b) Plant seniority lists will be prepared by the Company and will be posted on the plant bulletin boards. Such lists will be revised every six (6) months. A copy of all seniority lists will be forwarded to the Union on request.
- 13.03** a) In the event it becomes necessary to reduce the working force of employees in the plant, probationary employees and students hired for the school vacation period will be laid off first. Thereafter,

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seniority shall be the governing factor, provided the remaining employees have the required experience, skill and efficiency to perform the available work. Not less than three (3) days notice will be given of any layoff expected by the Company to last ten (10) working days longer.

- b) An employee who is affected by a workforce reduction may bump an employee with less seniority within his or her job classification if he or she has the skill, ability and efficiency to do that employee's job. The junior employee in the job classification who is bumped may bump into a job on another job classification within the Job Group in which he or she is employed if he or she has the skill, ability and efficiency to do that job. Thereafter he or she may bump into a job in a job classification in a lower Job Group than his or her own, if he or she has the skill, ability and efficiency to do that job.
- c) An employee who has had at least three months prior experience in the job into which he or she is to bump will be given a familiarization period of up to five (5) full shifts where the nature of the job warrants it. It is understood that this is not a training period.

13.04 Employees who have been laid off due to lack of work shall be recalled to work in the inverse order that they were laid off, provided such employees have the required experience, skill and **efficiency** to perform the available work.

13.05 Notice of recall from layoff will be by registered letter or telegram, addressed to the last address recorded by the employee with the Company.

An employee must indicate his intention to return to work within two (2) working days after the notice has been delivered or post marked, and return to work within a further three (3) working days, or forfeit any rights of recall with the Company.

13.06 Seniority previously accumulated shall be lost whenever an employee:

- a) quits;
- b) fails to report to work for three (3) consecutive days without an explanation satisfactory to the Company;
- c) overstays any leave of absence granted by the Company;
- d) if on layoff for lack of work:
 - 1) with less than one year seniority, after a period of layoff equal to the employee's length of service;
 - 2) with more than one year seniority but less than two years seniority, after one year of layoff;
 - 3) with more than two years seniority, after two years of layoff.

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- 13.07 Seniority shall be maintained and accumulated during:
- a) occupational accident;
 - b) absence from employment while serving in the non-permanent armed forces of Canada, excluding self-enlistment;
 - c) temporary illness or non-occupational accident causing absence not exceeding twelve (12) months;
 - d) In cases of absence due to temporary illness or non occupational accidents extending beyond the coverage of article 13.07 c), seniority will be maintained but not accumulated. People returning to work after such absence will be required to satisfactorily complete a trial period of up to thirty (30) days.
- 13.08
- a) All vacancies on jobs which are expected to continue more than thirty (30) days will be posted for three (3) consecutive working days on all plant bulletin boards by all employees' time clocks within the Company's building.
 - b) Any employee who has completed the probationary period referred to in Article 13.01 b) may apply in writing on a form supplied by the Company for a posted job. The applicant must complete the form in detail and sign it to be considered for the job vacancy.
 - c) The employee with the greatest amount of seniority among those applying will be given the job, provided he is qualified and experienced to perform the work required by the Company.
 - d) If an employee is not successful in satisfactorily completing the trial period of up to seventy-five (75) days, he will revert to his previous job and this procedure will be applied to all jobs affected by the job posting.
 - e) It is understood that if a single position vacancy is not filled within thirty (30) days of the posting date, a new job posting must be made for a future vacancy in the same position. Notwithstanding the foregoing, it is understood that if a vacancy for a crew (two (2) or more related jobs) is not filled within three (3) months of the posting date, a new job posting must be made for a future vacancy in the same position.
 - f) The name of the successful applicant will be posted on all plant bulletin boards.
 - g) Where an applicant does not receive the position applied for, upon request to the Plant Manager he will be given reasons why his application is refused.
 - h) The President of Local 8328 will receive a copy of all postings and applicants.

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- i) The successful applicant must remain on the job for six (6) calendar months (inclusive of the trial period) after completion of the trial period referred to in 13.08 d) above before he can apply for another job vacancy in a lower group classification.
 - j) If a vacancy does not last more than thirty (30) days, the Company will inform the Local Union of the location, the employee's name(s) and the duration of the temporary vacancy.
 - k) Jobs subject to the job posting procedure which may become available through the original job posting need not be posted.
 - l) Employees absent due to a leave of absence (up to a maximum of 30 days) or on vacation may leave an application with a Union representative for submission for any future job posting which occurs during their absence.
- 13.09 An employee temporarily transferred for the convenience of the Company to a job with a higher rate of pay will be paid the higher rate of pay for all consecutive hours worked, allowing for shift breaks, after working four (4) consecutive hours on the said job. The higher rates shall be determined in accordance with the employee's actual rate in the range of rates as determined by the amount of service of the employee.
- 13.10 Any employee promoted out of the bargaining unit but still actively in the service of the Company, will be allowed twelve (12) months in which to return to a job in the bargaining unit, and with the seniority he has accumulated. Persons returning to the bargaining unit after twelve (12) months shall do so without seniority.
- 13.11 For the closing of a department, the Company is to notify the Union three (3) months in advance prior to such closing and to discuss the issue of closing and whatever adjustments might be facilitated through manpower adjustment processes with the Union during the three month time period.
- 13.12 Provided that time, quality and cost factors are reasonably equitable and the Company has space and equipment to perform the work, work normally performed by members of the bargaining unit will be contracted out to outside contractors as long as members of the bargaining unit with rights of recall are on layoff, unless otherwise negotiated between the Union and the Company. Before any work which is normally performed by members of the bargaining unit is contracted out in the future, local management will discuss its intentions with the local union. In such discussions, the Company will explain its reasons for its tentative decision to subcontract such work and give the local union an opportunity to suggest ways in which the work might otherwise be performed. The Company will give due consideration to the suggestions of the local union before making its final decision as to whether or not such work will be subcontracted.

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13.13 The Company and the Union shall meet at least once every two months until this Agreement is terminated for the purpose of discussing issues relating to the workplace which affect the parties or any employee bound by this Agreement.

ARTICLE XIV - HOURS OF WORK AND OVERTIME

14.01 The Company does not guarantee to provide work for the daily or weekly hours, or for any other hour.

14.02 The standard work week shall consist of 40 hours per week, Monday to Friday inclusive.

14.03 The regular daily starting and quitting times, the days to be worked each week, and the time and duration of lunch period, and the time of the rest periods, will be determined by the Company in accordance with its production requirements.

14.04 A non-paid lunch period of thirty (30) minutes shall be allowed on each shift but in no event shall employees be required to work more than five (5) consecutive hours without one-half (1/2) hour off to eat lunch.

14.05 The shift premium for the afternoon shifts is to be increased to **thirty-four cents (\$0.34)** an hour and after the date of ratification to **thirty-six cents (\$0.36)** an hour on and after December 1, 1995. The shift premium for the third shift is to be increased to **forty-seven cents (\$0.47)** per hour on and after ratification and to **forty-nine cents (\$0.49)** per hour on and after December 1, 1995.

14.06 The Company will provide a ten minute rest period in the first half of a standard work shift, and a ten minute rest period in the second half of a standard work shift. When an overtime period is of two (2) or more hours duration, a paid ten (10) minute rest period will be provided, providing there is no break at the end of the regular scheduled shift.

14.07 Time worked in excess of standard hours of work shall be considered as overtime and overtime rates of pay shall be paid as follows:

i) Time and one-half for the first two (2) hours worked after the regular shift and double time thereafter;

ii) All employee shall be paid two (2) times their regular rate for any hours worked on Sunday and the following statutory holidays:

1. New Year's Day
2. Good Friday
3. Victoria Day

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4. Dominion Day
5. Civic Holiday
6. Labour Day
7. Thanksgiving Day
8. Christmas Eve
9. Christmas Day
10. Boxing Day
11. New Year's Eve
12. Additional holiday between December 23 and January 3 of each year.

iii) In the event that a given department works six (6) consecutive weeks of overtime whereby the overtime on a shift in that department exceeds forty (40) hours per week, the Company will endeavour to recall people on layoff where such people can be scheduled into the regular shift production process in that department.

14.08 When an employee has signified that he is willing to report for overtime hours on Saturday, Sunday or any of the public holidays listed in 14.07 b), that day shall be considered by attendance a regular working day. Employees requested to work more than two (2) hours overtime (after regular hours) shall be given one-half (1/2) on Company time to eat their lunch. A meal allowance of six dollars (\$6.00) shall be provided by the Company.

14.09 The opportunities to work overtime shall be distributed equitably among the employees in that particular job classification who have signified that they wish to work overtime.

The Company shall prepare a list of such employees, commencing with the most senior employee and the opportunities to work overtime work shall be then rotated amongst the employees on that list commencing with the most senior employee. Employees should not be called in to perform work outside their job classification, except when there are no employees in that classification available to do the work.

14.10 When additional shifts are required and do not continue for three consecutive nights then one and one-half (1 1/2) times will be paid.

14.11 Employees required to work the lunch period shall be paid double time, but in no event shall employees be required to work more than five (5) consecutive hours without one-half hour off to each lunch.

14.12 Employees shall not be requested to leave work solely for the purpose of reducing weekly hours, so that the above weekly overtime provisions may be circumvented. Shift work will be distributed as equitably as practical among the employees regularly performing the work on which second and third shifts may be required. Shift changes shall be made every two (2) weeks.

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- 14.13 An employee is required to notify the Company at least one (1) hour before the commencement of his shift that he will not be able to report for work. Failure to notify the Company will subject the employee to discipline. This paragraph will not apply where good and sufficient reason is given for failure to so report.

ARTICLE XV - VACATIONS

- 15.01 Vacations with pay will be granted by the Company in accordance with the following schedule:
- i) one (1) year of continuous service - two (2) weeks - 4%.
 - ii) five (5) years of continuous service and less than ten (10) years of continuous service - three (3) weeks - 6%.
 - iii) ten (10) years of continuous service and less than twenty (20) years of continuous service - 4 weeks - 8%.
 - iv) twenty (20) years and over of continuous service - 5 weeks - 10%.
- 15.02 For vacation purposes, continuous service shall be calculated as of June 30 each year.
- 15.03 Employees with more than one (1) month but less than one (1) year of continuous service as of June 30th, shall be entitled to an allowance of four percent (4%) of earnings up to June 30th as vacation pay.
- 15.04 Payment for vacations will be at the rate of two percent (2%) of an employee's earnings during the twelve (12) months preceding June 30th for each week of vacation of which he is entitled.
- 15.05 The allocation of annual vacations must be within the confines of the Company's operation. In the event that the plant should not shutdown, the choice of vacation shall be on a basis of employee's seniority with the most senior employees given first preference.
- In the event the Company shuts the operations down for vacations, the Company shall notify the Union six (6) weeks in advance. The Company will post a notice by April 1st of each year to determine which employees wish to work during the shutdown.
- 15.06 Vacation shall not be cumulative from year to year and employees shall not omit vacations and draw pay in lieu thereof. Vacation pay will be paid on the last working day preceding the employee's vacation and paid by separate cheque.

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- 15.07 The Company will pay a vacation bonus of Two Hundred Dollars (\$200.00) for vacation granted under this Article to those employees with a minimum of one year service. The vacation bonus granted under this Article will only be paid provided the employee has worked not less than one thousand (1,000) hours during the vacation year for which the vacation pay is calculated.

ARTICLE XVI - PAID HOLIDAYS

- 16.01 Subject to the conditions set out below, the Company shall pay employees for the following holidays:

New Year's Day
Victoria Day
Civic Holiday
Thanksgiving Day
Christmas Day
New Year's Eve
Good Friday
Dominion Day
Labour Day
Christmas Eve
Boxing Day

One day between December 23 and January 3 to be agreed upon by the Company and the Union.

- 16.02 In order to be eligible to receive payment for any of the aforementioned holidays, an employee must:

- a) have completed thirty (30) days of work; and
- b) have worked the last regularly scheduled shift immediately preceding the holiday first regular scheduled shift immediately succeeding the holiday. An exception to this rule will be made if an employee was absent from work because of
 - 1. verified personal illness or injury;
 - 2. death in his immediate family;
 - 3. layoff of five (5) working days or less, which layoff includes either or both of the said shifts;
 - 4. being granted written permission by the Plant Manager or his designate to be absent on either or both of the said shifts.

- 16.03 If an employee is on vacation when a paid holiday occurs, the employee will be paid for the holiday, or he will be granted an additional day off with pay, as arranged with the Superintendent, provided he is otherwise to be paid for the holiday.

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- 16.04 An employee required to work on a paid holiday will be paid out at overtime rates in addition to any holiday pay to which he may be entitled.
- 16.05 Payment for any of the holidays above stipulated shall not be voided should such holidays fall on a Saturday or Sunday. A holiday falling on a Sunday will be observed on the immediately following Monday. A holiday falling on a Saturday will be observed on the Friday or the Monday, at the sole discretion of the Company.

ARTICLE XVII - LEAVE OF ABSENCE

- 17.01 Leave of absence shall be granted only at the discretion of management - up to a maximum of six (6) weeks.
- 17.02 Unpaid leave of absence to attend union conventions shall be granted providing it does not affect the efficient operations of the plant. Such leave shall not exceed more than (10) working days per year for any two (2) employees, provided five (5) working days notice is given to the Company.
- 17.03 The Company agrees to continue to pay any employee absent from work on Union business and the Union shall reimburse the Company for such wage payment upon receipt of a monthly statement. A leave of absence form must be completed and authorized by the Union and the Company prior to absence for Union business. The Union also agrees to hold the Company harmless for any claim arising from the actions of the employee while on Union business.

ARTICLE XVIII - BEREAVEMENT PAY

- 18.01 a) Up to three (3) days leave of absence with pay will be granted to employees for the purposes of attending the funeral or service in the event of the death of an employee's parent, step parent, parent-in-law, brother or sister. Up to five (5) days leave of absence with pay will be granted in the event of the death of a spouse or child. A common-law spouse relationship will be recognized for bereavement purposes providing that it has been registered by the employee with the Company's payroll and benefits administration department.
- b) One (1) day leave of absence with pay will be granted in the event of the death of an employee's grandparent.
- 18.02 In the case of both 18.01 a) and b), only that portion of the three (3) days, or one (1) day leave which would otherwise have been working days, will be paid, and the Company may insist on verification before any payment is made.

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ARTICLE XIX -JURY DUTY PAY

- 19.01 Jury Duty Pay: If an employee is summoned or subpoenaed for jury duty, the Company shall grant the employee leave of absence with pay and monies received for jury duty.

ARTICLE XX - CANADIAN CITIZENSHIP TEST

- 20.01 The Company agrees to provide leave of absence to employees who wish to apply for the Canadian Citizenship test. It is further agreed that reimbursement of wages shall be paid to employees who complete the Canadian Citizenship test.

ARTICLE XXI - PAY ON DAY OF INJURY

- 21.01 Employees hurt while performing assigned duties while at work and who require medical attention and/or a period off work, shall be compensated at regular rates (including any applicable shift premium) for all regular time missed on the working day when injured. The Company will provide transportation to medical or hospital facilities off the plant premises and return transportation to home or to the plant.

ARTICLE XXII - REPORTING FOR WORK ALLOWANCE

- 22.01 An employee who reports for work at the start of his regular daily shift, without having been told in advance not to report, will be given work, or pay at his regular rate for a period of four (4) hours.
- 22.02 This obligation on the part of the Company will prevail when an employee is prevented from working because of:
- a) a power shortage, power failure or any circumstances beyond the control of the Company: and
 - b) failure on the part of an employee to keep the Company advised of his current address.

ARTICLE XXIII - CALL-IN PAY

- 23.01 An employee who has already left the premises of the Company after completion of his scheduled shift and who is recalled to work, shall be paid at overtime rates of pay for all hours worked on call-in up to the starting time of his scheduled shift, but in any event, shall be guaranteed at least a sum equivalent to four (4) hours at his regular rate for each call-in.

ARTICLE XXIV - SAFETY

- 24.01 The Company, the Union and all employees will comply with the Ontario Occupational Health and Safety Act as a minimum safety standard.

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- 24.02** The Company and the Union, realizing the benefits to be derived from a safe and healthy place of employment, agree that they, together with all employees, Union Stewards and Officers and Supervisors of all levels, will cooperate to the fullest extent to promote safe work practices, healthy conditions and enforcement of safety rules.
- 24.03** There shall be established a safety committee of four **(4)** members, two **(2)** of whom shall be employees appointed by the Union and two **(2)** of whom shall be appointed by the Company. The Committee shall meet once a month at times mutually agreed upon providing there is an agenda presented to the Company one week prior to a meeting being held.
- 24.04** The Union agrees to cooperate with the Company in developing a maintaining a strong sense of safety awareness amongst employees. In this connection, it is recognized that every employee has the right to report unsafe conditions and practices to his/her immediate supervisor.
- 24.05** The Company agrees not to unreasonably restrict access of technical advisors selected by the workers' representatives on the Joint Health and Safety Committee or other health and safety representatives employed by the Union to the workplace provided that the Company receives at least **72** hours advance written notice from the Union advising of the names of the technical advisors and the purposes for their attendance at any such meeting and provided the time is spent with prior supervisory or managerial approval. Where the Company intends to restrict the access of such persons to such meetings it will advise the Union in writing of its reasons for doing so.
- 24.06** a) The Company shall respond in writing within ten (10) working days to any formal recommendation of the Joint Occupational Health and Safety Committee.
- b) The Company shall pay employee members of the Joint Health and Safety Committee at their applicable hourly rate plus any applicable shift premium, any applicable cost of living allowance, any applicable incentive earning for any time lost during regular working hours while attending committee meetings or anything related to the Health and Safety matters affecting workers while at work provided the time is spent with prior supervisory or management approval.
- 24.07** The Company agrees to notify the Local Union President of all fatal and serious accidents suffered by any employee at work.

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ARTICLE XXV - SAFETY SHOES

For the period December 1, 1994 to November 1, 1995, the Company agrees to pay up to sixty-five dollars (\$65) per year, per employee towards one (1) pair of safety shoes when required by employees. Effective December 1, 1995, the Company agrees to pay up to seventy dollars (\$70) per year per employee towards one (1) pair of safety shoes when required by employees. In certain circumstances and at the discretion of management, some individuals may be allowed more than (1) pair of shoes per year. In the event an employee quits or is terminated within six (6) months from his original date of hire, the Company may deduct the lessor of what was paid for the shoes or sixty dollars (\$60) from his last pay period.

ARTICLE XXVI - CLASSIFICATIONS AND RATES OF PAY

26.01 Attached hereto and constituting a part of this Agreement is Schedule "A" setting forth the classifications and the hourly rates.

GENERAL

Parking It is understood that an employee's right to an available parking space is based upon his length of service. However, employees riding in car pools of two or more shall be given preference over the senior man.

Tools Tools owned by maintenance employees which are broken or worn out in the service of the Company will be replaced by the Company upon reasonable evidence being supplied by the employee that the tool was not damaged as a result of abuse or improper usage.

Eye Care The Company will provide safety eye glasses or shields where necessary. The Company will pay 100% of replacement cost for prescription safety glasses if they are broken on the job, provided that they are obtained from a designated Company supplier and meet CSA and ANSI specifications.

Protective Clothing Uniforms may be provided for the drivers but this will only be at the discretion of Management.

Coveralls *for* the maintenance department to be supplied by the Company at no cost to the employees.

ARTICLE XXVII - TECHNOLOGICAL CHANGE

27.01 The Company and the Union are concerned about the impact on employees and conditions of employment resulting from technological improvements and/or automation. It is essential that these improvements be utilized

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to the best advantage of the Company and employees. Accordingly, the signatory parties agree to the following:

- a) Definition: The term "technological change" shall be understood to mean modification to manufacturing equipment or techniques introduced by the Company in the manner in which it carries out its production and maintenance operations, where the modification alters the terms and conditions; or security of employment of five (5) or more members of the bargaining unit within a period of one (1) year.
- b) Such modification as anticipated above include the following:
 - 1. The introduction, because of technological change or development, of equipment, material or processes different in nature, type or quantity from that previously utilized;
 - 2. A change, related to introduction of the above, in the manner in which the Company carries out its production and maintenance objectives and operations.

27.02 When the Company is considering the introduction of technological change:

- a) The Company agrees to notify the Union as far as is practicable in advance of its intention and to update the information provided as new developments arise and modifications are made;
- b) The foregoing notwithstanding, the Company shall provide the Union at least four (4) weeks before the introduction of a technological change, with a detailed description of its intent to carry out disclosing all foreseeable effects and repercussions on employees;
- c) The notice mentioned above shall be given in writing and shall contain pertinent data including:
 - 1) nature of change;
 - 2) the date on which the Company proposes to effect the change;
 - 3) the number, type and location of employees likely to be affected by the change;
 - 4) the effects the change may be expected to have on employee's working conditions and terms of employment;
 - 5) all other pertinent data relating to the anticipated effects on employees.

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ARTICLE XXVIII - UNITED STEELWORKERS OF AMERICA HUMANITY FUND

- 28.01 The Company agrees to deduct on a weekly basis the amount of not less than one cent (\$0.01) per hour from the wages of all employees in the bargaining unit for all hours worked and prior to the fifteenth day of the month following, to pay the amounts so deducted to the "Humanity Fund" and to forward such payment to the United **Steelworkers** of America, National Office, 234 Eglinton Avenue East, Toronto, Ontario, and to advise in writing both the Humanity Fund at the aforementioned address and the Local Union that such payment and the names of all employees in the bargaining unit on whose behalf such payment has been made.
- 28.02 The "Humanity Fund" deductions as aforesaid, will be for the fifty weeks following ratification of this Agreement.
- 28.03 It is understood and agreed that participation by any employee in the bargaining unit in the program of deductions as set forth above, may be discontinued by any employee in the bargaining unit after the receipt by the Company and the local union of the employee's written statement of his/her desire to discontinue such deduction from his/her pay which may be received during the four (4) weeks following ratification of this Agreement.

ARTICLE XXIX - WORK ENVIRONMENT PROTECTION

- 29.01 The parties agree in the event that the temperature equals or exceeds thirty-five (35) degrees Celsius as measured by a Union representative and a Company representative of the Joint Health and Safety Committee at the following locations:

Mill # 7	cut off operator station
Mill # 8	cut off operator station
Mill # 11	cut off operator station
Large slitter	- operator station

The Company agrees to move with the Union Joint Health and Safety Committee representatives to discuss ways of alleviating heat related problems.

ARTICLE XXX - SEVERANCE PAY

- 30.01 The Company will pay to each affected employee one (1) week severance pay for each year of unbroken service (and 1/2 of one (1) weeks pay for each completed month in an incomplete year) to employees who are permanently laid off or terminated due to a permanent, partial or total closure of any or all of the Company's plants. Severance pay will be based on the employees regular straight time hourly rate. To be eligible for severance pay, the employee must have completed three (3) years service at the time

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of termination. The employee will receive the greater of severance pay under this Article 27 or the Employment Standard Act (but not both). This provision does not apply if an employee is offered work elsewhere in the Company. This severance payment is payable to the employee whose employment has been severed at the time the employee relinquishes his recall rights.

ARTICLE XXXI - DURATION OF AGREEMENT

31.01 This Agreement shall be effective from ~~December 1, 1994 to and including November 30, 1996~~ and shall be renewed automatically from year to year thereafter unless either party gives notice of amendment to the other party within ninety (90) days prior to the anniversary date in any year. In the event that either party serves notice to the other party of its desire to amend the Agreement, then this Agreement shall continue in effect until such time as a new Agreement has been reached, or until the conciliation procedures, as required by legislation, have been completed.

ARTICLE XXXII - SCHEDULES

32.01 The parties agree that Schedule "A", "B", "C" and "D" form part of the Agreement between the parties referred to in Article 1.01 for the duration of the Agreement.

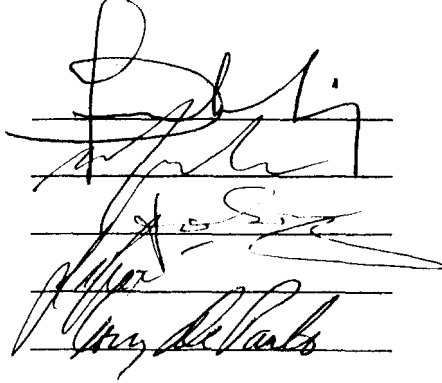
ARTICLE XXXIII - WCB RETURN TO WORK NOTICE

33.01 The Company shall give a copy of the WCB form 7 and a copy of any return to work notice received from Workers' Compensation Board for any employee employed in the bargaining unit to a designated worker representative on the Joint Occupational Health and Safety Committee.

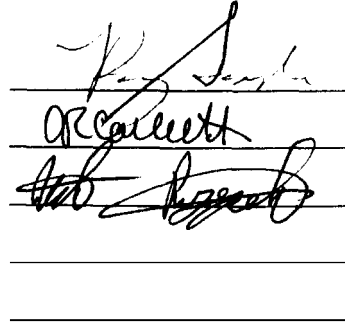
24.....COLLECTIVE AGREEMENT

IN WITNESS WHEREOF the parties hereto have executed the Agreement as of the date on the first page.

UNITED STEELWORKERS OF AMERICA



WELDED TUBE OF CANADA LIMITED



25.....COLLECTIVE AGREEMENT**SCHEDULE "A"
CLASSIFICATION AND HOURLY RATES
Group Classification Rates Per Hours**

JOB TYPE	DECEMBER 1, 1994	DECEMBER 1, 1995
-----------------	-------------------------	-------------------------

"Rates to be confirmed - 3% increase December 1, 1994 and 2 1/2% increase December 1, 1995"

1.	Licensed Mechanic Welder Fabricator	\$21.41	\$21.95
2.	Mill Operator Slitter Operator Quality Assurance Technician Maintenance Man # 1	\$18.97	\$19.44
3.	Machine Operator # 1 Mill Cut-Off Operator Pines Operator Big Mill End-Welder Maintenance Helper Maintenance Trainee Shipper/Receiver Inventory Control Steel Shunt Driver Store Keeper Tensile Shop Operator Small Mill End-Welder L.S.E. Conveyor Operator Mill Test Saw Operator	\$18.07	\$18.52
4.	Tractor Driver Saw Operator	\$17.78	\$18.22
5.	Mill Roll-Out Slitter Helper Swaggers Pines and Roll-Out Finishers Lift Truck Operator Crane Operator Frame Carpenter Crane Helper Havens Machine Operator Helper Mill Table or Conveyor Operator	\$17.56	\$18.00

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6.	Labourers	\$16.91	\$17.33
7.	New Labourers	\$12.61	\$12.93

- A.01 Following ratification, new employees hired as new labourers will commence at the rate for Group 7 and will automatically progress to the rate of Group 6 after twelve (12) months of seniority.
- A.02 The Company may appoint certain employees to act as lead hands and these employees shall be paid a premium of thirty cents (\$0.30) per hour for all hours worked as a lead hand. They shall have authority to direct but not to discipline any employee.
- A.03 The parties agree that the one dollar (\$1.00) per hour above the top rate formerly paid to the Maintenance Man # 1 who is a licensed tradesman is now incorporated in the hourly rate established in Schedule "A" for Group # 1. A Maintenance Man # 1 who is not licensed will be paid the top rate after three (3) years of on the job experience, provided that he can perform the necessary functions of the job.
- A.04 The successful applicant for a job posting for a Maintenance Man # 1 shall be characterized and paid as a maintenance trainee for a period of sixty (60) days, upon the expiry of which he shall be promoted to the Maintenance Man # 1 classification. The foregoing sentence shall not apply where the successful applicant was previously a maintenance helper and had performed the duties of such classification for a least the immediately preceding sixty (60) day period. In the case of a job posting for maintenance helper, seniority notwithstanding.
- A.05 A cost of living allowance shall be paid to each employee as set out below:
- a) "Consumer Price Index Base" refers to the Consumer Price Index Canada, all items (1961=100) published by Statistics Canada.
 - b) "Consumer Price Index Base" refers to the Consumer Price for December 1, 1989.
 - c) "Adjustment Date" is April 1, 1990.
 - d) "Change in the Consumer Price Index" is defined as the difference between (i) the Consumer Price Index Base and (ii) The Consumer Price Index published in the month in which applicable adjustment date falls.
 - e) "Cost of Living Adjustment" is calculated as below and will be payable commencing on the adjustment date.

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- f) The cost of living allowance to be paid under A.05 will only be triggered and payable if the Consumer Price Index exceeds six percent (6%) during the first year of this Collective Agreement and five percent (5%) during the second year of this Collective Agreement.
- g) The payment, if any, generated by the triggered cost of living allowance will not exceed forty five cents (\$0.45) in any year of this two (2) year Collective Agreement.
- h) The base for the first year of this Collective Agreement is December 1, 1994 and the base for the second year of this Collective Agreement is December 1, 1995.

Effective on the adjustment date, a cost of living adjustment equal to one cent (\$0.01) per hour for each full .6 of a point change in the Consumer Price Index shall become payable for all hours paid before the next adjustment date.

Should the Consumer Price Index in its present form and on the same basis as the Consumer Price Index Base referred above become unavailable, the parties shall attempt to adjust this section, or if agreement is not reached, request Statistics Canada to provide the appropriate conversion of adjustment date and thereafter.

The amount of the cost of living allowance in effect at any time shall form part of an employee's hourly rate. If the CPI falls below the Consumer Price Index Base, there shall be no cost of living allowance.

- A.06 Students are to be hired only in sufficient numbers to cover vacations between May 1 and September 30. Students are to perform jobs in labour classifications only at a rate of nine dollar per hour (\$9.00), effective December 1, 1990 the rate will be nine dollars and fifty cents (\$9.50) per hour, effective December 1, 1991 the rate will be ten dollars (\$10.00) per hour. Students will have Union dues deducted in accordance with the Collective Agreement.

Students will not acquire seniority and will not be covered for benefits. Furthermore, it is agreed that employee's children will be given first consideration in hiring students for this work.

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SCHEDULE "B"

WELFARE PROGRAM

B.01 During the Agreement, the Company agrees to institute, maintain and contribute one hundred percent (100%) of the premium towards the following Welfare Program:

- a) Ontario Health Insurance Plan (OHIP) - semi private.
- b) Group life insurance of **\$25,000** plus double indemnity for accidental death plus payment for dismemberment. In addition to the employee group life insurance, the Company will arrange and pay for **\$10,000** life insurance coverage for an employee's spouse and **\$5,000** life insurance coverage for an employee after he has retired from the Company.

Notwithstanding the above, effective immediately group life insurance for employees with three (3) or more years seniority is **\$30,000** and to be increased to **\$32,500** effective December 1, 1995.

- c) Wage indemnity of non-compensable accident and sickness insurance providing the amount required to meet the Unemployment Insurance Commission requirements. Such payments will commence on the first day of hospitalization and of accident and the 4th day for sickness for a maximum period of fifty-two (52) weeks, for any one illness.
- d) Blue Cross or equivalent plan thirty five cents (~~\$0.35~~) deductible for prescription drugs.
- e) Blue Cross Dental Plan Number 9 or equivalent plan at the current O.D.A. schedule. The Company will provide coverage equal to Green Shields dental plan with riders 2 and 3 at the current O.D.A. schedule with a **\$25.00** deductible per family applied in each twelve (12) calendar month period.

The maximum payment for dentures is to be **\$800** per employee. The Company will provide employees with at least ~~two~~ (2) years seniority, an orthodontics plan providing up to a maximum of two thousand dollars (\$2,000) per treatment case of a fifty/fifty (50/50) co-insurance basis.

B.02 a) The Company will contribute to a pension fund administered by the Union on account of future service according to the following

June 1, 1995	\$0.70
December 1, 1995	\$0.75

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June 1, 1995 - \$0.80

- b) All pension contributions under B.02 will be paid up to a maximum of two thousand hours (2,000) per year for any bargaining unit employee.
- B.03 a) The Company will pay up to \$200 per employee and dependent every two years for prescription eyeglass lenses provided the employee and dependent purchase the lenses from a city wide optical company designated by the Company.
- B.03 b) The Company will reimburse employees for prescription safety lenses after being presented with the prescription and invoice.
- B.04 Group coverage for the family will be arranged and paid for by the Company or thirty months (30) following the death of an employee. This coverage is to include the major medical, drug and dental plans.
- B.05 a) For disabilities arising after April 1, 1990, the Company will provide monthly income benefits with the following schedule for those eligible employees whose sickness and accident plan benefits expire after 52 weeks.
 - i) \$1,600 monthly income for employees with five (5) years of seniority with the Company; and
 - ii) \$800 monthly income for employees with less than five (5) years of seniority with the Company.
- b) For the purpose of B.05, the length of service and seniority are determined at the time the employee is eligible for long term disability according to the seniority list. The provisions of the Laurentian Imperial long term disability insurance quotation date December 1989 to the Company apply to B.05.
- B.06 The Company will pay the premiums for a laid off employee to provide the life insurance and AD&D benefit described in B.01 b) and drugs described in B.01 d) to the end of the month following the month of the layoff.

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SCHEDULE "C"

B E T W E E N

WELDED TUBE OF CANADA LIMITED
(hereinafter referred to as the "Company")

-and-

UNITED STEELWORKERS OF AMERICA

(the parties)

The 1985 - 1986 Collective Agreement negotiations between the parties involved discussion relating to the allocation of overtime. The parties agree that the Company's practice of allocation of overtime by department will be maintained. The Company agrees to keep a book for each department and the Company will endeavour to allocate overtime equitably across each department. Both parties will monitor the allocation of overtime and discuss discrepancies.

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SCHEDULE "D"

B E T W E E N

WELDED TUBE OF CANADA LIMITED

-and-

UNITED STEELWORKERS OF AMERICA

(the parties)

The 1985 - 1986 Collective Agreement negotiation discussion took place as to the length of the third shift, hours of work and pay. The parties agree that up to November 30, 1994 when scheduled, the night shift will work from 11:40 p.m. to 7:00 a.m. A normally scheduled night shift week will commence on Sunday (at straight time) and will operate five (5) consecutive nights.

Welded Tube agrees to pay eight (8) hours of pay for every six (6) hours and fifty (50) minutes worked on the night shift.

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LETTER OF UNDERSTANDING

BETWEEN

WELDED TUBE OF CANADA LIMITED
(hereinafter referred to as the "Company")

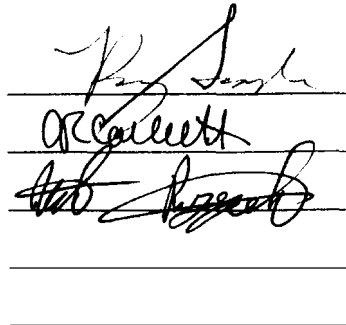
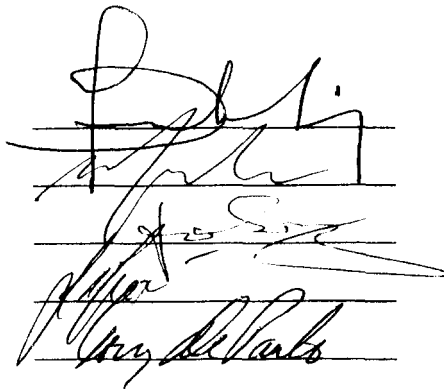
-and-

UNITED STEELWORKERS OF AMERICA
(hereinafter referred to as the "Union")

The Company and the Union agree to meet to discuss proposals on ways of incorporating the concept of profit sharing (broadly defined to include but not limited to profit sharing, cost reduction sharing, gains, sharing, etc.) into a workable agreement for application at the Company. The target date for implementation of a plan is six (6) months after the signing of the Collective Agreement between the Company and the Union made as of

UNITED STEELWORKERS OF AMERICA

WELDED TUBE OF CANADA LIMITED



33.....COLLECTIVE AGREEMENT

LETTER OF UNDERSTANDING

BETWEEN

WELDED TUBE OF CANADA LIMITED
(hereinafter referred to as the "Company")

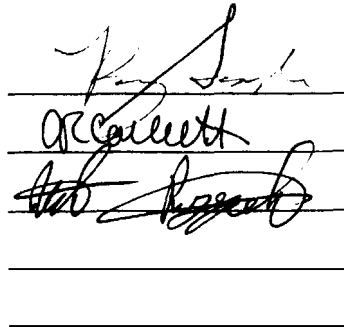
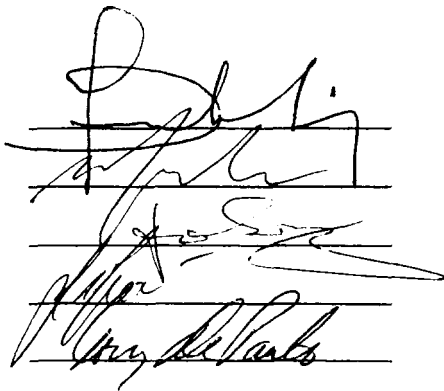
-and-

UNITED STEELWORKERS OF AMERICA
(hereinafter referred to as the "Union")

This letter is to address item # 14 of our Memorandum of Settlement. We confirm that Welded Tube is willing to discuss with you the possibility of reactivating the maintenance helper position in our collective agreement provided new maintenance helpers commit to outside training and working towards and obtaining their maintenance mechanic certificates.

UNITED STEELWORKERS OF AMERICA

WELDED TUBE OF CANADA LIMITED



December 14, 1994



**WELDED TUBE
OF CANADA LIMITED**

111 RAYETTE ROAD
CONCORD, ONTARIO L4K 2E9
FAX: (905) 738-4070
TEL: (905) 669-1111
TOLL FREE: 1-800-565-TUBE (8823)

United Steelworkers of America
25 Cecil Street
Toronto, Ontario M5T 1N1

Dear Sirs:

This letter is to update you on how Welded Tube of Canada Limited ("WTC") is investigating some of the concerns you have raised regarding ventilation in our plant facilities.

WTC has had difficulty finding adequate solutions to some of its perceived ventilation problems. In particular, we have been unable to obtain satisfactory guarantees from the contractors who have quoted air make-up and other systems. Consequently, we have not proceeded with the air make-up unit we had intended on purchasing. As WTC has allocated up to \$180,000 for capital expenditures on air quality and ventilation equipment, the issue is not financial but technical in that we are not comfortable that the equipment recommended by contractors will meet our needs and correct our problems. In addition, we have learned that the Occupational Health and Safety Act and other legislation regulations are changing the standards this fall and we are learning more about these regulations.

To address the air quality and ventilation problems at WTC, we have formed an "air quality" team led by Robert Pike, Capital Projects Manager with Dave Dufresne, Quality Assurance Manager and Environmental Officer, Abbey Ghobadian, Technical Services Manager and Marisa Vercillo, Safety Coordinator as team members. The team is to study the air quality problems, investigate alternative solutions and make recommendations to Barry Sonshine on how to proceed.

In the most recent negotiations, we proposed that the Union participate in this team by naming one designate for the Bowes plant and one designate from the Rayettee plant. In this way, the Union would be kept up to date on matters pertaining to plant air quality and could contribute to the recommendations. The designates should be safety committee members who have training. We feel this proposal is the most practical way of addressing air quality, ventilation and related problems on an ongoing basis and is consistent with the team building process we are trying to develop at WTC.

We understand you have selected John Manfre and Joe Silva to participate on our air quality team and we look forward to working with them.

Sincerely,

WELDED TUBE OF CANADA LIMITED

BARRY SONSHINE

September 14, 1995



**WELDED TUBE
OF CANADA LIMITED**

111 RAYETTE ROAD
CONCORD, ONTARIO L4K 2E9
FAX: (905) 738-4070
TEL: (905) 669-1111
TOLL FREE 1-800-565-TUBE (8823)

United Steel Workers of America
25 Cecil Street
Toronto, Ontario M5T 1N1

Attention: Mr. Tony DePaulo
and
Negotiating Committee
Local 8328
11 Rayette Road
Concord, Ontario
L4K 2E9

Attention: Mr. Carlos DaSilva

Dear Sirs:

This letter is being sent to you pursuant to item # 16 of the Memorandum of Settlement entered between Welded Tube of Canada Limited ("WTC") and the United Steelworkers of America ("USW") pertaining to our collective agreement negotiations which terminated last April.

This letter is to confirm to the United Steelworkers of America, and in particular to the members of Local 8328, that WTC is committed to providing a discrimination and harassment free workplace for all its employees. The following is WTC's previously stated policy on human rights pertaining to discrimination and harassment:

WELDED TUBE IS COMMITTED TO FOLLOWING AND ABIDING BY THE HUMAN RIGHTS LEGISLATION OF ONTARIO AND CANADA AS THEY AFFECT ALL WELDED TUBE EMPLOYEES.

AT WELDED TUBE, THERE WILL BE NO DISCRIMINATION, INCLUDING HARASSMENT, AGAINST ANY INDIVIDUAL OR GROUP BASED ON RACE, NATIONALITY OR ETHNIC ORIGIN, COLOUR, RELIGION, AGE, SEX, MARITAL STATUS, FAMILY STATUS, SEXUAL ORIENTATION, PARDONED CONVICTION OR PHYSICAL OR MENTAL DISABILITY.

For purposes of interpreting the above WTC policy, discrimination has a particular meaning. Discrimination means treating people differently, negatively or adversely without a good reason and includes making a distinction between certain individuals or groups based on any of the following grounds:

- a) race
- b) national or ethnic origin
- c) colour
- d) religion
- e) sex
- f) marital status
- g) **age**
- h) family status
- i) sexual orientation
- j) pardoned conviction
- k) physical or mental disability (including dependence on alcohol or drugs).

Like discrimination, harassment has a particular meaning for interpreting the above WTC policy. Harassment refers to any unwanted or unwelcome physical, visual or verbal conduct that offends a person or group affected by the conduct and includes any behaviour that insults or intimidates if a reasonable person should have known that the behaviour was unwelcome. Harassment is not to be confined to touches or threats, but also includes offensive attitudes that undermine self respect, leering or similar gestures. Without limiting these statements, verbal or practical jokes, insults, threats and personal comments, touching stroking, pushing or unwelcome conduct, are all unacceptable forms of harassment. Posters, pictures and graffiti relating to unacceptable harassment are also unacceptable. Sexual harassment policy interpretation purposes at WTC include not only sexually suggestive remarks or gestures and physical actions, but also unwelcome sexually related remarks, jokes and offensive pictures and posters.

To ensure that discrimination complaints of USW members are kept in confidence and quickly addressed, WTC agrees to work with a committee made up of four members, two designated by the USW and Barry Sonshine and Marisa Vercillo as WTC delegates. Marisa Vercillo will serve as the committee's facilitator, coordinating meetings, investigations and communication. The responsibility of the committee is to make recommendations to senior management on human rights policy matters and to address human rights issues raised by USW members prior to a formal complaint being filed by a USW member with the Ontario Human Rights Commission.

All employees are assured no action will be taken against any individual filing a complaint or providing evidence or assistance in any harassment or discrimination matters. Each employee has the right to proceed with filing a complaint with the Ontario Human Rights Commission as he or she considers necessary.

WTC considers its senior management's responsibility to investigate and correct discrimination and harassment problems as soon as we are aware of them, even if a formal complaint has not been received. Due to the personal nature of human rights issues, we shall in each case where an USW member brings a complaint to the attention of Barry Sonshine or Marisa Vercillo, ask the individual whether he or she would like to involve the "human rights committee" of USW and WTC members.

It is our hope that WTC will be able to address all human rights issues internally to the satisfaction of all its employees. However, if any individual is either unhappy with the progress or response made by WTC alone or the "human rights committee" of USW and WTC members, the individual has the right at any time to file the appropriate complaint with the Ontario Human Rights Commission. WTC will cooperate with any Ontario Human Rights Commission representative pertaining to any human rights complaint filed by a WTC employee and we expect the USW and Local 8328 to do so as well. In consideration, we emphasize the commitment of WTC and its shareholders, officers and directors to provide a discrimination and harassment free work environment for all employees.

Sincerely,

WELDED TUBE OF CANADA LIMITED



BARRY SONSHINE

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