

# AGREEMENT

BETWEEN

**DELORO STELLITE INC.**  
BELLEVILLE, ONTARIO, CANADA

AND

**UNITED STEELWORKERS**  
OF AMERICA,  
on behalf of its  
LOCAL 5533

APRIL 1, 1998 TO MARCH 31, 2000

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# AGREEMENT

Made effective this 1 st day of April,  
1998 at Belleville, Ontario.

Between:

**DELORO STELLITE INC.**,  
located in Belleville, Ontario,  
Canada, hereinafter called  
"The Company"  
of the First Part

And:

**UNITED STEELWORKERS  
OF AMERICA**,  
on behalf of its  
Local No. 5533, hereinafter called  
"The Union"

of the Second Part

**ARTICLE I - PURPOSE OF AGREEMENT**

1.01 Whereas the parties agree that it is mutually beneficial and desirable to arrange and maintain fair and equitable earnings, labour standards, wage rates and working conditions; to obtain efficient operations, to protect the safety and health of employees and to provide machinery for the adjustment of disputes which may arise between the parties hereto. Therefore, the Company and the Union agree as follows:

**ARTICLE II - UNION RECOGNITION**

2.01 The Company recognizes the Union as the sole and exclusive bargaining agency for all of its employees at its plant in Belleville, Ontario, save and except foreman, persons above the rank of foreman, chemists and metallurgists, engineering staff, office and sales staff, security guards, and persons regularly employed for not more than 24 hours per week.

2.02 The terms and conditions set forth in this agreement shall have full force and effect for all employees in the bargaining unit as described in the preceding paragraph.

2.03 Persons outside the bargaining unit shall not regularly work on any jobs which are included in the bargaining unit except for purposes of instruction, experimenting, or emergencies, when regular employees are not qualified, or available.

For the purpose of instruction, the foreman shall take the amount of time they feel necessary to show and train the employees in the proper manner as the quality and quantity of work that is required of them. as long as, during that time, the employees remain with their foreman.

### **ARTICLE III - NO DISCRIMINATION**

3.01 The Company and the Union agree that there will be no discrimination against any employee in employment practices for any reasons prohibited by the Ontario Human Rights Code, 1981, or for union membership or union activity or lack thereof.

3.02 No employee shall engage in any Union activity on the property of the Company in the manner which shall interfere with production or engage in any Union activity on Company time except as may be provided elsewhere in this Agreement. The Union shall not hold meetings on Company premises without Company consent.

### **ARTICLE IV - MANAGEMENT**

4.01 The Union acknowledges that it is the exclusive function of the Company to:

(a) Maintain order, discipline, and efficiency and to make, alter and amend rules of conduct and procedure for employees provided such rules are reasonable and are not inconsistent with the provisions of this Agreement.

(b) Hire, discharge, classify, direct, transfer, promote, demote, layoff and suspend or otherwise discipline employees provided, however, that a claim by an employee who has attained seniority status, that he has been unjustly dealt with or unjustly treated, may be subject to the Grievance Procedure as hereinafter provided.

(c) Generally to manage the industrial enterprise in which the Company is engaged, and without restricting the generality of the foregoing, to determine the products to be manufactured, methods of manufacture, schedules of production, kinds and locations of machines and tools to be used, processes of manufacturing, the engineering and designing of its products, the control of materials

and parts to be incorporated in the products produced, the extension, limitation, curtailment or cessation of operations, the number of employees required for any and all operations.

4.02 At any time the Company desires to make new rules or regulations, or amends existing rules or regulations, it shall discuss with the Union the details thereof prior to the date they will become effective.

4.03 The company agrees that the above functions will be exercised in a manner consistent with the provisions of the Agreement. A claim that the foregoing functions of management have not been exercised in a manner consistent with the provisions of this Agreement may be the subject of a grievance and dealt with as hereinafter provided.

#### **ARTICLE V - UNION SECURITY**

5.01 All employees of the Company shall sign an *authorization* form as attached hereto as Appendix "H". Upon receipt of the proper *authorization*, the Company shall deduct from the wages 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 Constitution. Such deductions shall be made from each pay and shall be made payable to the International Treasurer, United Steelworkers of America, P.O. Box 13083, Postal Station "A", Toronto, Ontario, M5V 1 V7. The monthly dues remittance shall be accompanied by a copy of the payroll listing the names and employee numbers of employees from whom dues and assessments have been deducted, and a separate listing of new members, members reinstated, members terminated, members with no wages, members paying back dues and members paying advance dues. *Authorizations* filed with the Company shall be irrevocable during the term of the Agreement or any extension thereof.

#### **ARTICLE VI - ADJUSTMENT OF GRIEVANCES**

6.01 The purpose of this section is to establish procedures for discussion, processing and settlement as quickly as possible of grievances as defined in sub-section 6.02 of this Article.

6.02 "Grievance" as used in this Agreement is a complaint involving any matter relating to wages, hours, or working conditions, including a question of interpretation or application of, or compliance with, the provisions of this Agreement.

6.03 Step 1: Any employee who believes that he has a justifiable complaint may discuss the complaint with his foreman. The employee may be accompanied by the steward of his shift, if available, or otherwise by another steward. The foreman shall state his decision or his refusal to make a decision, and submit same within two (2) work days or a time mutually agreed upon. All grievances must be presented to the employee's foreman within five (5) work days of the employee's knowledge of the matter causing the alleged grievances. The above time limits shall not apply to grievances pertaining to wage rates or where the matter causing the grievance is still in existence.

6.04 Step 2: Should the employee or the Grievance Committee be dissatisfied with the Company disposition of such complaint, he may then within five (5) work days of receipt of the Company's answer at Step 1, refer the matter on a written grievance form to the Superintendent of the department concerned who shall answer the grievance in writing within two (2) work days, or a time mutually agreed upon.

6.05 Step 3: If no settlement is reached in Step 2, the Grievance Committee and the Staff Representative and representatives of management will meet to discuss the



decision of the Superintendent in Step 2. The Management shall give its answer in writing within two (2) work

days of this meeting. If the grievance is not then settled, the matter may be referred to Arbitration by either party within ten (10) work days.

6.06 Saturdays, Sundays, Statutory Holidays and periods where the plant is shutdown, shall not be counted in determining the time within which any action is to be taken in each of the foregoing steps of the Grievance Procedure.

6.07 The Company and the Union shall have the right to initiate a group grievance of a general nature at Step 3 of the Grievance Procedure.

#### **6.08 ARBITRATION**

Where a difference arises between the parties relating to the interpretation, application or administration of this Agreement, including any questions as to whether a matter is arbitrate, or where an allegation is made that this Agreement has been violated, either parties may, after exhausting the grievance procedure established by this Agreement, notify the other party in writing of its desire to submit the difference or allegation to arbitration.

6.09 Any matter referred to arbitration, as provided in 6.08 hereof, shall be submitted to a single arbitrator.

6.10 The arbitrator shall hear and determine the difference or allegation and shall issue a decision and the decision is final and binding upon the parties and upon any employee affected by it.

6.11 The arbitrator shall have the right to enter any premises where work is being done or has been done by the employees, or in which the employer carries on business, or where anything is taking place or has taken place concerning any of the differences submitted to him and inspect and

view any work material, machinery, appliance or article therein, and interrogate any person respecting any such thing or any of such differences.

6.12 The Union and the Company shall each pay one-half of the remuneration and expenses of the arbitrator.

6.13 The Arbitrator shall not be authorized to make any decision inconsistent with the provisions of this Agreement, nor to alter, modify, or amend any part of this Agreement.

6.14 At any stage of the grievance procedure including arbitration, the conferring parties may have the assistance of the employee or employees concerned and any necessary witnesses, and all reasonable arrangements will be made to permit the conferring parties to have access to the Plant and to view disputed operations and to confer with the necessary witnesses,

6.15 Witness fees and allowances shall be paid by the party calling the witnesses.

#### **ARTICLE VII - DISCHARGE AND DISCIPLINARY PROCEDURE**

7.01 Management shall not take disciplinary action without first warning the employee, unless the circumstances justify immediate suspension or discharge. In the event of a claim that an employee has been discharged or suspended unjustly or unreasonably, the grievance shall be filed at Step 3 of the Grievance Procedure within five (5) working days. The termination of employment of any probationary employee may be the subject of a grievance, excluding arbitration.

7.02 Warnings shall be given in writing with a copy to the Union. The Company and the Union agree that disciplinary penalties shall not be imposed unreasonably or unjustly, and

that pertinent records supporting same will not be used after an employee maintains a clear record for a one year period.

7.03 If it is determined or agreed at any step in the Grievance Procedure, or decided by the Arbitrator, that any employee who has attained seniority status has been disciplined or discharged unjustly, the management shall put him back on his job with no loss of seniority and they shall pay the employee the amount he would have earned had he been working less any monies earned by the employees during the time lost, or by any other arrangement as to compensation which is just and equitable in the opinion of the parties or in the opinion of the Arbitrator, if the matter is referred to him.

#### **ARTICLE VIII - NO STRIKE OR LOCK-OUT**

8.01 In view of the orderly procedure for settling grievances, herein before provided for, the Union agrees that it shall not cause or direct any strike, slowdown, sit-down or other collective action, either partial or complete, which will stop or interfere with work or production, and that if any such individual or collective action should be taken it shall instruct those of its members who participated in such action to carry out the provisions of its Agreement and return to work and perform their duties in the usual manner.

8.02 The Company agrees that it will not cause or direct any lock-out of its employees.

#### **ARTICLE IX - SENIORITY**

9.01 (a) An employee shall not acquire seniority until the employee has completed a probationary period of seventy-five (75) calendar days, within a six (6) month period. Upon completion of the probationary period the employee's seniority date shall be established as of the last date of hire.

(b) It is understood the labour arbitration doctrine of "just cause" does not apply in the termination of a probationary employee.

9.02 Plant-wide seniority shall govern in the case of promotions, demotions, transfers, layoffs, and recalls, except where a junior employee is better qualified for the job concerned.

#### 9.03 Job Posting

(a) Permanent job openings shall be posted for three (3) working days, successful applicants shall be notified, and their name shall be posted, within five (5) working days of the close of the posting.

(b) New employees and employees with less than two (2) years' seniority, who are hired into, or awarded a permanent job, shall not be eligible to apply for permanent job openings for a period of six (6) months from their date of hire or the date of the close of the posting pursuant to which they were awarded their job, as the case may be.

(c) Employees on vacation shall be considered for any job postings arising during their vacation provided they have given written notice to the Company prior to leaving for vacation of their desire to be so considered.

#### 9.04 Loss of Seniority

(a) An employee shall lose his seniority standing and be deemed to be terminated and his name shall be removed from all seniority lists, for any of the following reasons:

(1) If the employee voluntarily quits or retires.

(2) If the employee is discharged for proper cause and is not reinstated in accordance with the provisions of this Agreement.

(3) If the employee is laid off and fails to return to work within ten (10) days after he has been notified to do so by the Company by registered mail to his last known address, or fails to make some other satisfactory arrangements with the Company.

(4) If an employee is laid off, absent due to non-occupational illness or disability, or absent due to occupational illness or disability after last receiving Workers' Compensation Weekly Benefits:

(i) for a period of six (6) consecutive months if the employee has less than one (1) year seniority.

(ii) for a period of twenty-four (24) consecutive months if the employee has more than one (1) but less than five (5) years' seniority

(iii) for a period of sixty (60) consecutive months if the employee has more than five (5) years' seniority. It being understood that this provision shall be applied in a manner consistent with the Ontario Human Rights Code.

Notwithstanding the retention of seniority rights hereunder, the Company's obligation to pay the cost of premiums necessary to enroll such employees in the benefit plans set out in Article 24 and Article 26 shall cease thirty-six (36) months after the month in which the employee ceased to work due to occupational or non-occupational illness or disability and at the end of the month in which the employee is laid off.

(5) Is absent without leave for a period in excess of four (4) continuous working days and returns to work without reasonable excuse.

#### **9.05 Duty of Employees**

(a) It shall be the duty of employees and laidoff employees to notify the Company promptly of any change in their address. If an employee should fail to do this, the Company will not be responsible for failure of a notice to reach such employee.

(b) If an employee finds that he is unable to report for work because of sickness or other legitimate reason, he will notify his supervisor within one (1) hour before the start of the evening and night shift, or between 8:00 hours and 9:00 hours if for the day shift, except where circumstances prevent compliance.

#### **9.06 layoff Notice**

(a) In the event of a temporary layoff not to exceed five (5) working days, the employee may be laid off without regard to seniority it being understood that such layoff shall not exceed a total of ten (10) work days in any contract year for any one employee.

(b) In the event of a layoff of more than five (5) working days, the Company will advise the Union as soon as possible in advance as to the employees to be laid off. Employees shall be given a minimum of one (1) weeks notice of layoff.

(c) The Company agrees not to hire any new employees while employees with seniority, who are capable of doing the available work are in a layoff status. The Company further agrees that it will recall from layoff status on the basis of seniority, providing they are qualified employees capable of doing temporary work which will exist for twenty-four (24) hours or more, at any time rather than substitute other employees.

#### LAYOFF PROCEDURE

If it becomes necessary to reduce the work force, the Company shall endeavour to give as much notice to the employees concerned as is practical under the circumstances, and subject to the provisions of this section, shall take the following steps, or such of them as may be deemed necessary in the order listed:

(1) Layoff such number of employees as may be necessary from among those who have not yet acquired seniority rank.

(2) Layoff such number of employees as may be necessary from among those who acquired seniority rank, according to the following procedure:

When it is necessary to reduce the working force in any job classification, employees will be displaced from that classification in the inverse order of their seniority rating.

(a) An employee who loses his job in this way or who is displaced by a more senior qualified employee will be assigned to the highest rated job he has previously held within his department provided he has more seniority than the low seniority man in this job.

If an employee cannot be assigned a job in this way, he will be assigned to the highest rated job in his department (equal to or lower than his current job) for which he has the necessary qualifications and seniority.

(b) If the employee cannot be assigned to a job in his own department, he will be assigned to the highest rated job he has previously held in another department provided he has more seniority than the low seniority man in that particular job.

(c) An employee who is not placed as in (a) or (b) above, will have the right to retain a job by displacing the employee with the least seniority according to the factory seniority list. If he is not qualified to perform the job of the man on the bottom of the list, he will

have the right to move up the seniority list to the first job his seniority and qualifications will permit **him to claim**.

(d) Employees laid off shall be recalled on a last laid off, first recalled basis.

(e) In order that the Union may be assured representation, five (5) officers of United Steelworkers of America, Local 5533 who are on the active payroll of the Company as of the date of this Agreement, shall be considered to have sufficient seniority during their term of office so that in the event of their being otherwise subject to layoff they shall retain a jobs per the provisions of Article 9.06 (c).

#### 9.07 Temporary Transfer

(a) Temporary openings shall be defined as a vacancy which it is known shall not be filled beyond thirty (30) consecutive days or is caused by the temporary absence of an employee.

(b) Temporary openings may be filled by transferring employees from other job classifications. If the opening continues beyond thirty (30) consecutive days, or an employee's temporary absence becomes permanent, the job shall be posted in accordance with 9.03. No employee shall be given a permanent posted vacancy solely on the basis that the employee has filled the position on a temporary vacancy.

(c) If an employee is temporarily transferred at the request of the Company, the employee shall receive the greater of the employee's normal regular rate of pay or the rate of the job. In selecting employees to be transferred, the Company shall consider the experience, capability and availability of employees. Where these factors are equal, the junior available employee will be transferred so as to meet the Company's production requirements

(d) In making temporary transfer, the Company shall give preference to those employees who were laid off from the job classification to which the temporary transfer is to be made, providing that, in the opinion of the Company, the employee is immediately available, and is not required to perform the work to which he is assigned at that time.

9.08 The appointment or selection of employees for supervisory positions, or for any position not subject to the provision of this Agreement, is not governed by this Agreement. In the event that an employee governed by this Agreement should be promoted to a supervisory position



or any position beyond the scope of this Agreement, the following shall apply:

(i) the employee shall continue to accrue seniority for up to one (1) year following appointment to a position outside of the bargaining unit and the employee shall continue to pay union dues as provided by this Agreement. In the event the employee wishes to return to the bargaining unit, the employee may exercise all seniority rights to return to a bargaining unit position,

(ii) thereafter, the employee's seniority shall be frozen, the employee shall no longer be required to pay union dues, and the employee may only exercise seniority rights to return to the bargaining unit if there is an open position for which no bargaining unit employee has *claimed under* either the job posting, lay-off and recall provisions of this Agreement.

9.09 Within ten (10) working days after the signing of this Agreement, the Company shall prepare and post seniority lists showing the seniority ranking of the employees, so that the employee may have the opportunity to dispute and settle any inaccuracies which may appear on such lists. After twenty (20) work days on this list and fifteen (15) work days on subsequent lists, the seniority standing so established shall be recognized as the employees' length of accumulated service and shall not be challenged by the Company, the Union or the employees. The Company shall maintain such lists, revise and post them every six (6) months, and five (5) copies of such lists shall be forwarded to the United Steelworkers of America, Local 5533, every six (6) months.

#### **ARTICLE X - LEAVE OF ABSENCE, PERSONAL REASONS**

10.01 An employee will be allowed a leave of absence without pay for personal reasons if:

(1) He requests from Management in writing, and

(2) The leave is for a good reason and does not unduly interfere with operations. In emergency situations written requests for leave shall not be required.

(3) Employees who become pregnant shall, upon request, be granted a maternity leave of absence not to exceed ten (10) months. Maternity leave may be initiated by the Company when in the opinion of the Company's medical practitioner the duties of the employee's job cannot reasonably be performed or her work is materially affected by her pregnancy. In such cases, the Company's medical practitioner will consult with and consider information provided by, the employee's physician.

10.02 A leave of absence will be extended for additional periods if there is a good reason and Management and United Steelworkers of America, Local No. 5533 mutually agree. The employee must request an extension in writing before his original leave is up.

10.03 United Steelworkers of America, Local No. 5533 will be notified of all leaves granted under this section.

10.04 Provided there is no interference with production or operations, the Company shall grant up to a total of sixty (60) person days leave of absence per calendar year without pay to enable the five (5) members of the Executive Committee, Stewards, or employees appointed to union committees or to represent the union to attend local union meetings, union sponsored seminars, training sessions, schools, conventions and conferences. Leave to attend regular or special local union meetings shall only be granted to members of the Executive Committee who are scheduled to work at the time of the union meeting. The Union will inform the Company of the names of the employees for whom leave is being requested and give at least two (2) weeks written notice. Leave of absence to prepare for and attend negotiations for the renewal of this agreement shall not be deducted from the sixty (60) person day limit in this article. Except where more than two (2) members of the Executive Committee are required to attend, leave of absence will be limited to two (2) employees per occasion.

10.05 The Company shall grant an employee a leave of absence of not more than two (2) years to work in an official capacity for the Local or international Union. The Union must request the leave in writing. This leave may be extended for additional two (2) year periods.

10.06 Any leave of absence will be in writing and no such leave will affect an employee's seniority rights when used for the purpose granted, provided he returns to work at the expiration of his leave. If an employee works elsewhere without written permission from the Company, while on leave of absence, his employment with this Company may be terminated.

**10.07 BEREAVEMENT**

(a) Bereavement leave will be paid at the employee's basic rate for four (4) consecutive working days the employee would have

shall commence with the day of the death. For the purposes of this leave entitlement, immediate family shall only include the employee's legal spouse, parent (s), or children.

(b) Bereavement leave will be paid at the employees basic rate for three (3) consecutive working days the employee would have otherwise worked. Such three (3) consecutive workings days shall commence with the day of the death. For the purposes of this leave entitlement, immediate family shall only include the employee's siblings and parents-in-law.

(c) Bereavement leave will be paid at the employee's basic rate for one (1) working day the employee would have otherwise worked. Such day, if applicable, shall be taken between the day of the death and the day of the funeral. For purposes of this leave entitlement, family shall only include employee's siblings-in-law, grandparents and grandchildren.

**ARTICLE XI - SAFETY AND HEALTH**

11.01 The Company recognizes it's obligations to provide as safe and healthful a working environment for employees as it reasonably can, and both parties to this agreement jointly agree to do their best to achieve that end. The Company agrees to provide the appropriate job training and instruction in health and safety for all employees.

11.02 The Company shall furnish equipment and supplies necessary to protect employees from injury as required by the Provincial Legislation. The Union will assist their Management in carrying out reasonable accident prevention programs.

11.03 (a) The Company shall recognize, and participate in, a Joint Health and Safety Committee composed of an equal number of representatives of the Company and the Union. The Company shall be responsible for providing adequate training to all Safety Committee members. The Safety Committee Members for each party shall be selected by each party, to deal with issues of safety and health in the plant. In addition to participating in safety tours, the Committee will meet at least every three (3) months (or more frequently as may be determined by the Joint Health and Safety Committee) to discuss and resolve the causes of accidents, unsafe conditions, and other safety related matters.

(b) It is agreed that any employee(s) shall have the right, without suffering any penalty, to refuse to perform a job on the grounds that he/she reasonably believes it may endanger himself or another worker. The matter shall be dealt with either under the applicable legislation, or directly by the Parties (in the absence of available and prompt on sight inspection by the legislative enforcement inspector, if any). Pending investigation, if a replacement employee is requested to perform an operation which is the subject of a work refusal, such employee shall be fully acquainted with the facts of the refusal. If this employee also exercises his/her right of refusal, such job shall not proceed without corrective measures to render it safe, or, if the Safety Committee views the job and agree to conditions under which it may proceed while corrective measures are implemented, an employee will be allowed to operate the job. The Safety Committee shall convene a formal meeting immediately to deal with the issues of the refusal.

(c) Plant safety tours shall take place regularly. At least one Safety Committee member from each party shall jointly tour the plant for the purpose of identifying safety concerns and violations. Such safety tours shall take place no less often than every three months. If the Department of Labour (or successor) Inspector attends the plant for a safety tour, such tour shall apply to satisfy the three (3) month requirement. The Union Safety Committee member (s) shall have the right to accompany the Department of Labour (or successor) Safety Inspector during inspections of the plant and the Union shall be provided with a copy of the Inspector's report. In addition, such Union Safety Committee member (s) shall have the right to enter the plant at any time on matters of health and safety.

11.04 The Safety Committee shall be notified immediately of each accident or injury. Upon the request of the Union or the Company, the Safety Committee shall investigate and report as soon as possible on the nature and causes of the accident or injury.

11.05 A signed slip from a qualified doctor showing cause of absence shall be recognized as sufficient reason for absence when required. The requirement by the Company to examine any employee returning from an illness or accident shall not

cause any employee loss of earnings or benefits should the Company Medical Examiner not be available at the time of the employee's return to employment.

11.06 Employees shall use industrial safety equipment as required by the Company and/or the Department of Labour. The Company will pay One Hundred Dollars (\$100.00) to each employee (effective April 1st, 1999 will pay One Hundred and Five (\$105.00), to each employee, except those employees issued foundry safety shoes, towards the cost of industrial safety shoes. Employees eligible to receive this allowance who are not actively employed for the full contract year shall receive a pro-rated amount of 1/12 One Hundred Dollars (\$100.00), (effective April 1, 1999 One Hundred and Five Dollars (\$105.00), for each full month of active employment.

The Company shall pay One Hundred and Seventy Dollars (\$175.00) (effective April 1, 1999 One Hundred and Eighty (\$180.00) every two (2) years towards the cost of prescription industrial safety glasses for each active employee.

**ARTICLE XII - BULLETIN BOARDS**

12.01 The Company agrees to provide the Local Union with three (3) bulletin boards in the plant for the purpose of posting Union notices and official papers. Notices will be submitted to Management for approval before being posted by officers of the Local Union and will be in keeping with the spirit and intent of this Agreement.

**ARTICLE XIII - COPIES OF AGREEMENT**

13.01 The Company and the Union desire every employee to be familiar with the provisions of this Agreement and his rights and duties under it, and copies will be made available to employees paid for by the Company.

**ARTICLE XIV - COMMITTEEMEN AND STEWARDS**

14.01 Grievance Committeemen and Shop Stewards will be designated in writing to the Management by the Local Union and shall be employees of the Company. There shall be one (1) Steward per shift for each of the geographical areas as per Appendix "C".

For the purpose of meeting with Management representatives, the Grievance Committee will consist of not more than four (4) members as designated by the Union plus the International Union Representative. Members of the Grievance and Negotiating Committee will not lose pay for time spent during regularly scheduled working hours attending scheduled meetings with Management representatives.

14.02 When the legitimate business of a Grievance Committeemen or Steward requires him to leave his job or department, he shall first receive permission from his General Foreman or Department Manager, which permission shall not be unreasonably withheld, and he shall not suffer loss of pay for time spent in the performance of these duties during his regular working hours.

14.03 The Company will recognized a negotiating committee of up to five (5) members, elected or appointed by the membership of the Local Union.

14.04 The negotiating committee shall he allowed one (1) day off work without pay, for the purpose of preparing contract proposals for approval of the Local Union Membership prior to presentation of such proposals to the Company for negotiations. Leave of absence shall be granted on two (2) weeks written notice to the Company.

#### **ARTICLE XV - HANDICAPPED EMPLOYEES**

15.01 In the event of an employee sustaining injury at work, or becoming affected by occupational disease during the course of their employment and becoming physically handicapped as a result thereof, every effort will be made by the Company to give the handicapped employee such suitable employment as is available. Such handicapped employees shall he paid at a wage rate commensurate with their capabilities providing, however, that in the compensable case, the employee shall he assured the rate for

**ARTICLE XVI - HOURS OF WORK**

16.01 The standard work shift shall consist of eight (8) consecutive hours, commencing with the employee's regular assigned starting time.

(1) The eight (8) hour work day, commencing at 07.84 hours and concluding at 16.34 hours shall be known as the day or first shift.

(2) The eight (8) hour work day, commencing at 16.26 hours and concluding at 00.58 hours shall be known as the evening or second shift.

(3) The eight (8) hour work day, commencing at 00.00 hours (midnight) and concluding at 08.00 hours shall be known as the night or third shift.

(4) A continuous shift may start at the commencement time of any of the three (3) shifts - first, second or third, and run continuous for twenty-four (24) hours. It shall consist of three (3) eight (8) hour work shifts. A continuous shift shall only be considered as such if it is in operation for twenty-four (24) hours or more.

If a continuous operation is discontinued after commencing in a work week, employees so affected shall be paid their lunch break for the remainder of the week.

(5) Where there is a three (3) shift operation the shift changed will be accomplished in the following order:

Day or First Shift to Night or Third Shift.

Evening or Second Shift to Day or First Shift.

Night or Third Shift to Evening or Second Shift.

16.02 The standard work week shall be forty (40) hours of work.

16.03 The standard work week shall commence at 00.00 hours each Monday and conclude at 00.58 hours the following Saturday.

**16.04 Payment of Overtime**

All employees shall be paid time and one-half for all hours worked in excess of eight (8) hours per day up to twelve (12) hours per day Monday to Friday inclusive.

All work performed on Saturday shall be paid at time and one-half.

All work performed on Sunday and Statutory Holidays shall be paid at double time.

The Company shall give notice of overtime as far in advance as is practical. All overtime work shall be voluntary except in cases of emergency.

Overtime shall be paid at the rate of double time for all hours in excess of twelve (12) hours per day.

16.05 (a) No employee on day operations shall be sent off shift, or required to stay home on his regular shift, on a day he is regularly scheduled to work, solely to avoid payment of overtime.

(b) In the event an employee is required to work overtime, and such overtime would carry the employee into the day following the day his or her shift commenced, overtime shall be paid on that time. An eight (8) hour period must elapse before an employee may return to work on a regular shift.

**16.06 Lunch Periods**

First, or day shift, commences 11.84 hours - ceases 12.34 hours without pay.

Second, or evening shift, commences 20.00 hours ceases 20.34 hours without pay.

Third, or night shift, commences 04.00 hours - ceases 04.50 hours with pay.

Continuous Shift Three (3) shifts of eight (8) hours each.



Shift No. 1 (08.00 hours to 16.00 hours). Commences 11.84 hours - ceases 12.34 hours with pay.

Shift No. 2 (16.00 hours to 24.00 hours). Commences 20.00 hours ceases 20.50 hours with pay.

Shift No. 3 (24.00 hours to 08.00 hours). Commences 04.00 hours - ceases 04.50 hours with pay.

**16.07 Wash-up Periods**

Five (5) minutes immediately before lunch and five (5) minutes immediately before the end of the shift will be permitted for wash-up with pay. Employees shall punch their time cards after the wash-up periods at noon and at the end of each shift.

16.08 Dependent on adequate workload, the Company agrees to allow employees to work extra hours, as mutually agreed upon, during the two-month period immediately preceding the Christmas period in order to enable employees to take extra time off during the Christmas period. All such extra time worked shall be banked hour for hour. The Local Union must notify the Company on or before October 15<sup>th</sup> if it wishes the Company to offer this opportunity to employees.

16.09 The Company agrees to distribute overtime opportunities as equitably as possible, as follows:

(a) Overtime opportunities will be offered to employees within a classification, who are at work and qualified to perform the work for which the overtime is required.

(b) If such employees refuse the overtime opportunity, the overtime may be offered to any qualified employee.

(c) An overtime opportunity refused shall be counted as overtime worked.

(d) Any errors in the application of this provision shall only be remedied by offering affected employee(s) future overtime opportunities they would not have otherwise been entitled to be offered.

**ARTICLE XVII - SHIFT PREMIUM**

17.01 The Union and the Company agreed to an interpretation of this article which would have shift premiums apply to overtime hours (as a straight add on) for hours actually worked on a scheduled afternoon or midnight overtime shift. All employees shall receive a shift differential of fifty-one cents (51¢) per hour, (effective April 1st, 1999 fifty-six cents (56¢) per hour) for work performed on the afternoon shift, and fifty-eight cents (58¢) (effective April 1 st, 1999 sixty-one cents (61¢) for work performed on the night shift. Day shift employees not on continuous operations shall not be entitled to a shift differential for overtime work. This shift differential shall not be included when calculating overtime and Statutory Holiday pay.

**ARTICLE XVIII - REPORTING ALLOWANCE**

18.01 An employee reporting for work upon instructions of the Company, but for whom no work is available at his regular occupation, will be offered at least four (4) hours' employment on other work at his regular rate, or at the Company's option will be paid for four (4) hours' time at his regular rate.

18.02 The foregoing shall not apply whenever a stoppage of work is due to fire, lightning, power failure, storms, a labour dispute, or other similar causes beyond the control of the Company, in which event no payment for lost time shall be made, or when an employee who has been absent fails to ascertain from his Foreman if work is available for him.

**ARTICLE XIX - EMERGENCY CALL OUT PAY**

19.01 An employee who has already left the premises of the Company after completion of his scheduled shift, and who is called by the Company to work, or who is required to work outside of their scheduled shift, shall receive at least five (5) hours pay at regular rate or time and one-half for the hours worked, whichever is greater. This provision shall not apply to hours worked that are continuous to the employee's

**ARTICLE XX - PAID HOLIDAYS**

20.01 (a) The following shall be considered as recognized paid holidays: New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Christmas Day and Boxing Day, three (3) floating holidays making a total of twelve (12) days. When Christmas Day (December 25th) falls on a Tuesday, Wednesday or Thursday, the Company reserves the right to schedule employees' three (3) floating holidays during the Christmas season.

(b) For the purposes of Article 20.01 (a) "Christmas Season" shall mean the period of December 17th to January 7th of the following year.

Employees may elect to take their floating holidays prior to the Christmas season at a time mutually agreeable between the Company and the employee as follows:

- (i) By the end of February employees shall indicate in writing to the Company the date or dates upon which the employee wishes to take a floating holiday (s) prior to the Christmas season;
- (ii) Refusal of requests for floating holiday (s) shall be based solely on production requirements. In cases of conflict, employees' preference of floating holiday (s) will be resolved on the basis of plant-wide seniority;
- (iii) Employees whose request for a floating holiday (s) has been refused may opt for another day (s) or have their floating holiday(s) scheduled during the Christmas season;
- (iv) Any requests for floating holiday (s) prior to the end of February shall be granted subject to the production requirements in the employee's department;
- (v) Unless employees have requested floating holiday (s) in accordance with procedure set out above, employees' floating holidays shall be scheduled in accordance with the Company's schedule of floating holiday (s) under Article 20.00 (a).

20.02 Employees will receive holiday pay for the above mentioned holidays regardless of the day on which they are observed or celebrated subject to the provisions of this

Article. In the event that any of the above mentioned holidays fall on a Saturday or Sunday or be declared by an Governmental authority to be celebrated upon a Saturday or Sunday, it shall nevertheless be exercised on the Monday immediately following such Saturday or Sunday. An employee must have worked at least one day in the two week period immediately preceding the holiday in order to be eligible for holiday pay. For purposes of this article time off for vacation per Article 21 constitutes time worked.

20.03 An employee, who has completed thirty (30) working days in a period of twelve (12) months or less, who is not required to work on a holiday listed in 20.01, will be paid for the holiday at his regular hourly rate, excluding shift premium for eight (8) hours.

20.04 An employee who has completed thirty (30) working days in a period of twelve (12) months or less and who is required to work on any of the Holidays mentioned in Article 20.01, shall be paid double his regular hourly rate for the total number of hours worked by him on such day. In addition, such employee shall receive Holiday pay in accordance with Article 20.02 and 20.03.

#### **ARTICLE XXI -VACATIONS**

21.01 Employees required to work for all or part of the shutdown period will have preferences for vacation time outside the shutdown period for one week or two consecutive weeks, as the case may be, ahead of employees who have vacation during the shutdown. Weeks of vacation entitlement not taken during the shutdown shall be granted as requested by employees. In situations of conflict, preferences will be given to employees with greater plant-wide seniority. Vacation periods requested shall be included on the form provided. The Company retains the right to schedule or cancel vacations in order to satisfy it's business and production requirements.

#### **21.02 PAY AND VACATION**

For the purpose of determining vacation pay and vacation entitlement, a year of service shall be considered to begin on July 1st and end the following June 30th.

The Company will provide for all extra vacations with pay on an employee's anniversary date after June 30th to January 1 st.

21.03 Each employee who is on the company payroll on July 1st will be eligible for vacation on the following basis:

Less than one year of service - one day for each full month of service (maximum 10 days) (4%).

One year of service and less than five years - 2 weeks (4%).

Five years of service and less than ten years - 3 weeks (6%).

Ten years of service and less than twenty years - 4 weeks (8%).

Twenty years of service and less than thirty years - 5 weeks (10%).

Thirty years of service or more - 6 weeks (12%).

21.04 Those employees with less than one year of service shall receive as vacation pay 4% of their earnings in the previous twelve-month period ended June 30th.

21.05 Those employees with one year of service or more shall, for each week of entitlement, receive as vacation pay either 2% of their earnings in the previous twelve-month period ended June 30th, or 40 times their hourly rate during the same period, whichever is the greater.

21.06 Employees who cease to be employed and who have not received their vacation shall, dependent on their entitlement, receive as vacation pay either 4%, 6%, 8%, 10% or 12% of their previous earnings in respect of which they have not already received vacation pay.

21.07 Vacations shall not be accumulated from one year to another.

21.08 An employee with more than one year's seniority, who is not actively employed for more than six months due to layoff in the vacation entitlement year, shall receive, dependent on their entitlement, 4%, 6%, 8%, 10% or 12% of their earnings for that year.

21.09 An employee with more than one year's seniority, who is not actively employed for more than six months due to occupational or non-occupational illness or disability in the vacation entitlement year, shall receive, dependent on their entitlement, 4%, 6%, 8%, 10%, or 12% of their earnings for that year (earnings shall not include any Workers' Compensation benefits or benefits received pursuant to Article XXIV of this Agreement).

21.10 Employees on vacation shall be eligible for job postings if they have given written notice to the company of their desire to be so considered.

#### **ARTICLE XXII -WAGES**

22.01 The Co-operative Wage Study (C.W.S.) Manual for Job Description, Classification and Wage Administration dated October 1, 1956 (as amended, September 1966,) and herein referred to as "The Manual" is incorporated into this Agreement as "Standard Hourly Wage Scale."

22.02 Each job shall be described and classified and a rate of pay applied to each employee on such job in accordance with the provisions of this Agreement.

#### **22.03 Standard Hourly Wage Scale**

(a) Effective April 1, 1998 and continuing until March 31, 1999, the Standard Hourly Rate for Job Class 1 shall be \$13.79.  
(b) Effective on April 1, 1999 and continuing until March 31, 2000, the Standard Hourly rate for Job Class 1 shall be \$14.29.

22.04 The standard hourly rate for each job class shall be the standard hourly rate for all jobs classified within such job class.

22.05 Effective on the dates specified on 22.03 the rate of pay of an employee on a non-incentive job who was receiving an out-of-line differential prior to such dates shall be adjusted by increasing that rate by the amount of increase in the rate for Job Class 1 and the following shall then govern:  
(a) If the employee's new rate resulting from such increase is greater than the standard hourly rate for the job as provided

in 22.03, the amount of such excess shall become the employee's new out-of-line differential which shall replace the former out-of-line differential) and shall apply in accordance with the provisions of this agreement.

(b) If the employee's new rate resulting from such increase is equal to or less than the standard hourly rate for the job as provided in 22.03, the rate of pay of such employees shall be adjusted to conform to the standard hourly rate for the job as provided in 22.03, and the former out-of-line differential shall be terminated.

**22.06 Production and Maintenance Jobs**

The standard hourly rate for each production or maintenance job other than a trade or craft or apprentice job shall be paid to any employee during such time as the employee is required to perform such job except as otherwise provided in this agreement.

**22.07 Trade or Craft Jobs**

The term "trade or craft job" shall have the same meaning as defined in the Manual.

22.08 The following schedule of rates shall apply to trade or craft jobs:

(a) A standard rate equal to the standard hourly rate for the respective job class of the job.

(b) An intermediate rate at a level two (2) job classes below the standard rate; and

(c) A starting rate at a level four (4) job classes below the standard rate.

22.09 Each employee regularly performing the described work of a journeyman in a trade or craft or each employee hired for or transferred in accordance with the applicable provisions of this agreement to a trade or craft job, shall be assigned either to the starting rate, intermediate rate or standard rate classification of the respective trade or craft, which assignment shall be on the basis of his qualification and ability in relation to the requirement of the job.

22.10 The Company will notify the local Union semi-annually of any assignment under 22.09 or of any change in the assignment of trade or craft employees on the form shown as Exhibit "F" of the Manual.

22.11 An employee assigned to a starting rate or intermediate rate may, following the completion of a period of 1,040 hours of actual work for the Company in the given trade or craft, request and shall receive a determination of qualifications and ability and shall be reclassified into the next higher rate of the respective trade or craft if such determination discloses the satisfactory qualifications and ability have been developed by the employee during the intervening period of time. Except as provided in 22.14, the period of 1,040 hours shall commence at the date of initial assignment or the date of referred to in 22.12.

22.12 The result of the determination of such an employee's qualification and ability shall be made effective by the Company at the beginning of the pay period closest to the date upon which the employee requested such determination. On the same date such employee, if below the standard rate classification, shall be considered to have begun to accumulate the succeeding prescribed 1,040 hour period.

22.13 Any dispute concerning the determination of an employee's qualifications and ability with respect to a trade or craft job shall be resolved in accordance with the principles and procedures set forth in the "Program for the Classification of Journeymen of the Basis of Qualifications and Ability."

22.14 The provisions of Clauses 22.11, 22.12 and 22.13 above, with respect to the completion and accumulation of periods of 1,040 hours of actual work for purposes of receiving a determination of qualifications and ability, shall not apply to an employee who is receiving training under the provisions of Clause 23.01. In the event that such training is discontinued in accordance with Clause 23.01 (d), the employee shall be considered to have begun to accumulate the prescribed 1,040 hour period as the date such training is



22.15 The established starting rate, intermediate rate or standard hourly rate of pay for a trade or craft job shall be paid to each employee during such time as the employee is assigned to the respective rate classification.

#### 22.16 Apprentice Jobs

Employees with the requisite qualifications are eligible to be enrolled in apprentice courses in trade or craft jobs, in addition to persons who may be hired directly as Apprentices. All Apprentices shall sign an Apprenticeship Agreement as prescribed by the Company but in case of any conflict between such Agreement and the Basic Agreement, the latter shall govern. If, upon completion of the apprenticeship period, the Company is satisfied that the employee is qualified for the trade or craft job, he shall receive a certificate certifying that he has successfully completed the apprenticeship training.

22.17 (a) An employee training through an Apprenticeship Course in a given trade or craft shall commence his training at the beginning of the first 1,000 hour period and be paid the Standard Hourly Rate for Job Class 1, unless assigned by the Company to a different 1,000 hour period in which case he shall be paid the standard hourly rate appropriate to that period and shall thereafter, at the conclusion of each training period of 1,000 hours of actual experience with the Company, be advanced to the standard hourly rate for the job class of the succeeding period as set out in the schedule of apprentice training continued in the Manual.

(b) Hours during which an apprentice attends classes of instruction prescribed by the Company as part of his apprenticeship training, will be credited as hours of actual experience towards the accumulation of 1,000 hour periods.

However, an apprentice will not be considered to have completed the last 1,000 hour period of his apprenticeship courses until he has successfully completed all of the prescribed classes of instruction for such Trade and Craft.

22.18 Kate changes as determined by the 1,000 hour periods as provided in 22.17 shall be made at the beginning of the pay period closest to the completion of 1,000 hours.

22.19 An employee who has completed a Trade or Craft Apprenticeship course of the Company and who is assigned to a vacant job shall, on the recommendation of the Supervisor, be paid the full Standard rate of the job. If the employee requires further training, the employee will be paid the Starter or Intermediate rate of the job and advised in writing of the required areas of improvement. The employee will be reviewed every 1,000 hours (one thousand) hours or less of actual work until the employee reaches the full standard rate for the job. The rate of progression shall not be less than that provided in the C.W.S. Manual.

22.20 If there is no vacancy in the respective trade or craft job upon satisfactory completion of his apprenticeship course, the apprentice shall nevertheless be considered as having the qualifications of a starting rate journeyman in the respective trade or craft. When subsequently transferred or assigned to the trade or craft job, the provisions of 22.19 shall apply.

**22.2.1 Learner Rates**

An employee who is being trained on a job in accordance with the provisions of 9.03 where another employee other than the employee being trained is on the job, shall be paid a learner rate which shall be:

- (a) in the case of an employee hired for the learner job, the standard hourly rate for Job Class 2, or
- (b) in the case of an employee transferred to the learner job, the lower of:

- (1) The standard hourly rate of the job from which transferred, and
- (2) The standard hourly rate of the job being learned.

**22.22 Temporary Transfer**

An employee who is temporarily transferred from his regular job shall be paid the standard hourly rate of the job to which he has been transferred, provided such rate is not less than that of his regular job. If the rate of the job to which he is temporarily transferred, but not as a result of a layoff, is less than the rate of his regular job he shall be paid the rate of his regular job during the period of such temporary transfer.

**22.23 Out-of-line Differentials**

An out-of-line differential is the amount an employee's existing rate of a job exceeds the standard hourly rate for such job.

22.24 Except as an out-of-line differential may be changed by the means herein provided, it shall continue to be paid in the amount shown on a list furnished to the local Union by the Company on the signing date of this agreement to any employee included in such list during such time as the employee occupies the job for which the differential was established. The Company shall also furnish the local Union with a list showing the amounts and employees who are to be paid new or increased out-of-line differentials by reason of 22.32.

22.25 If an employee with an out-of-line differential is transferred or assigned to a job having a higher standard hourly rate, then the differential shall be reduced by the amount of the increase in the standard hourly rate.

22.26 If an employee with an out-of-line differential is transferred or assigned to another job and under the terms of this agreement a lower standard hourly rate is applicable, then the out-of-line differential shall be terminated.

22.27 When an employee would, in accordance with the terms of this Agreement, be entitled to receive his regular rate, he shall also receive an out-of-line differential to which he is entitled.

22.28 In addition to other means provided in this Agreement, increases in the increment between job classes shall be used to reduce or eliminate out-of-line differentials.

22.29 Except for the application of the out-of-line differentials as called for herein, the terms of this Agreement governing transfers shall apply.

22.30 Description and Classification of New or Changed Jobs

The description and classification of each job in effect as of the date of this Agreement and others subsequently established shall continue in effect unless:

- (a) The Company changed the job content to the extent of one full job class or more;
- (b) The job is terminated or not occupied during a consecutive period of one year; or
- (c) The description and classification is changed by mutual agreement of the Company and the Union.

22.31 Whenever the Company establishes a new job or changes the job content of an existing job to the extent of one full job class or more, upwards or downwards, a new job description and classification for the new or changed job shall be established in accordance with the following procedure:

- (a) The Company will develop a description and classification of the job in accordance with the provisions of the Manual.
- (b) The proposed description and classification will be submitted to the local Union C.W.S. Committee, which shall consist of three employees, one of whom shall be Chairman, for approval. Each member of the local Union C.W.S. Committee will be paid his hourly rate for attendance at meetings held with the Company, under the provisions of Clauses 22.31 and 22.35 of the Agreement.

(c) The applicable standard hourly rate for the job shall become effective on the date the new job was established or on the date the job content of an existing job was changed.

22.32 If the change in job content results in a lower classification of a job, any incumbent of such job at the date of such lower classification shall receive an out-of-line differential equal to the difference between the standard hourly rate for the job before such change and the standard hourly rate thereafter. Such out-of-line differential shall be in addition to any other out-of-line differential an incumbent then has and shall be governed by the provisions of this Section.

22.33 Should the Company and the local Union C.W.S. Committee be unable to agree upon the description and classification, the following shall be the procedure:

(a) The Company shall install the proposed classification and the standard hourly rate for the job to which the job is thus assigned shall apply as set forth in 22.31(c).

(b) The local Union C.W.S. Committee may within 30 days thereafter refer in writing to the two Representatives designated in 22.37, an allegation that the job is improperly described or classified under 22.31;

22.34 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 full job class or more, and has failed to develop and submit a new description and classification, the local Union C.W.S. Committee shall notify the Company in writing, specifying its allegations. The Company and the local Union C.W.S. Committee shall discuss the matter, after which the Company shall reply in writing to the local Union C.W.S. Committee's allegations. If the Company's reply is not satisfactory, the local Union C.W.S. Committee may within

thirty (30) days of the date of such reply, refer the matter in writing to the two Representatives designated in 22.37.

Any change in job class shall become effective in accordance with 22.31(c) provided, however, that retroactivity shall not apply for more than sixty days prior to the date the local Union C.W.S. Committee notifies the Company of its allegations.

22.35 When the Company changes a job, but the job content change is less than one full job class, a supplementary record shall be established to maintain the job description and classification on a current basis and to ensure subsequent adjustment of the job class assignment of the job for an accumulation of small job content changes in accordance with the following:

(a) The Company will prepare a record of such change to supplement the original job description and classification.

(b) Such record will be submitted by the Company to the local Union C.W.S. Committee. It shall not be necessary for the local Union C. W.S. Committee to indicate its agreement with such record. If it is claimed that the Company has incorrectly assessed the job change or the change, or changes in the job, when added to prior change or changes, requires a change in the job classification to the extent of one full job class or more, the local Union C.W.S. Committee shall notify the Company in writing specifying its allegations. The Company and the local Union C.W.S. Committee shall discuss the matter, after which the Company shall reply in writing to the local Union C.W.S. Committee's allegations. If the Company's reply is not satisfactory, the local Union C.W.S. Committee may within thirty (30) days of the date of such reply refer the matter in writing to the two Representatives designated in 22.37.

(c) A notification made by the local Union C.W.S. Committee as provided in (b) above must be filled within sixty (60) days of the date the record was submitted by the Company to the local Union. The Union may, within such sixty (60) days, request and obtain an extension of time for an additional thirty (30) days beyond the sixty (60) day period to enable them to review the change in which event, any notification made by the local Union must be filed not later than ninety (90) days from the date the record was submitted to the local Union. Any change in job class shall be effective as the date of the most recent change in job content.

22.36 When and if job changes of less than one full job class accumulate to a total of one job class or more:

(a) The job shall be reclassified to the appropriate job class on the basis of such total accumulation and reclassification shall become effective from the date of the most recent change in job content.

(b) The appropriate standard hourly rate shall be effective as of the date of such reclassification.

(c) A new description and classification shall be established in accordance with 22.31 embodying such accumulation of job content changes.

22.37 The Union and the Company will each designate in writing a representative to consider referrals submitted under Clauses 22.33, 22.34 and 22.35. The Union and the Company may, upon thirty (30) days written notice designate a replacement representative. The Union's representative shall be a representative of the International Union and the Company representative shall be a representative of the Industrial Relations Department of Deloro Stellite Inc.

(a) The two representatives selected shall meet within thirty (30) days of the date the matter was referred to them. If either representative is unable to meet within the thirty (30) day period, a substitute representative shall be designated by the party concerned and the thirty (30) day period referred to above, shall be deemed to commence as of the date of his appointment. Within sixty (60) days after the date of their first meeting, the two representatives shall jointly notify the parties hereto in writing of their agreement or failure to reach agreement. Agreement between the two representatives shall be final and binding.

(b) If the two representatives are unable to reach agreement within the specified period, the Union may, within thirty (30) days of the date of the written notification of the two representatives, notify the Company in writing of its intention to submit the dispute to arbitration under the provisions of Clause 6.08, Arbitration.

**22.38 Correction of Errors**

Any mathematical or clerical errors made in the preparation, establishment, or application of job descriptions, classifications or standard hourly rates shall be corrected to conform to the provisions of this Agreement.

**22.39 Wage Grievances**

Except as otherwise provided, no basis shall exist for an employee covered by this Agreement to allege that a wage rate inequity exists.

**ARTICLE XXIII -TRAINING**

**23.01 Trade and Craft Occupations**

A starting or intermediate Tradesman may request in writing for on-the-job training in the basic factor(s) in which he is deficient as follows:

(a) A starting or intermediate rate Tradesman assigned to a Trade and Craft job after January 1, 1996 may apply in writing and shall be given on-the-job training in the basic factor(s) in which he is deficient.



(b) Such on-the-job training will be subject to the limitations of available work and facilities and may also be limited by the requirements of apprentice training.

(c) In addition to on-the-job training as specified in (a) and (b) above, the Company may employ such classroom instructions as it deems to be necessary. Such instruction will be carried out in existing education facilities or by some other method as may be arranged by the Company.

(d) Continuation of the training as specified in (a), (b) and (c) above will be contingent upon the employee demonstrating satisfactory progress. Such employee may be required to take written or work tests as may be prescribed by the Company from time to time in order to demonstrate satisfactory progress. If the employee is unable to demonstrate to the Company that he is progressing satisfactorily or if he refuses assignments, then such training may be discontinued.

#### ARTICLE XXIV - INSURANCE & WELFARE BENEFITS

24.01 The Company's obligation to pay the cost of premiums necessary to enroll employees in the Drug Plan, Dental Plan, Life Insurance and Accidental Dismemberment Plans shall cease at the end of two (2) months after the month in which the employee is laid-off. All other payments made on behalf of the employees shall cease at the end of the month in which the employee is laid-off. Eligibility for enrollment commences after completion of probationary period. For schedule of benefits, see Appendix "F".

#### ARTICLE XXV - PENSION PLAN

25.01 The Company will establish a fully Company Paid Money Purchase Pension Plan in accordance with the Pension Agreement appended as Appendix "J". Upon becoming eligible, in accordance with the terms of Appendix "J", all employees must enroll in the Pension Plan. Effective

and each subsequent April 1 (or other date in any contract year when wage rates are adjusted) the Company will recalculate and contribute the hourly contribution, for each eligible employee, at the rate of 5.5% of job Class 11.

Effective April 1, 1998 provide an extra payment of \$0.04/hour for employees with 1971 or earlier seniority dates.

#### **ARTICLE XXVI - DENTAL PLAN**

26.01 The Company agrees to pay one hundred percent (100%) of the cost of the premiums necessary to enroll employees and their families in a Dental Plan, as described in Appendix "I", eighty percent (80%) co-insurance, maximum benefit One Thousand Dollars (\$1000) per year, per insured person. On April 1st of each year, the O.D.A. schedule of fees shall automatically be updated from year to year to provide for a two year lag. Add Periodontal /Endodontic Services rider of One Thousand Dollars (\$1000) maximum. Add coverage to include bridges, crowns and dentures at \$2000 per year at 50% co-insurance effective April 1, 1999.

This service covered whether provided by Periodontist or your own dentist. Effective June 1, 1994 the Dental Plan will include an orthodontic rider which will provide orthodontic care for employee's children aged nineteen (19) and under, fifty percent (50%) co-insurance, maximum benefit one thousand dollars (\$1,000) lifetime maximum per insured person. Increase orthodontic coverage as soon after ratification as possible to \$2,000 lifetime

In the event that the cost of the premiums is increased in subsequent contract years due to the adverse experience rating, the cost of such increase shall not automatically be borne in the same proportion as the Company and the employees currently contribute toward the cost of the premiums, but rather shall be part of negotiations of economic issues for the renewal of this Collective

**ARTICLE XXVII - HUMANITY FUND**

27.01 The Company agrees to deduct on a weekly basis the amount of one cent (1¢) per hour from the wages of all employees in the bargaining unit for all hours worked, and, prior to the 15th day of the month following, to pay the amount so deducted to the "Humanity Fund" and to forward such payment to United Steelworkers of America National Office, 234 Eglinton Avenue East, Toronto, Ontario M4P 1K7, and to advise in writing both the Humanity Fund at the aforementioned address and the Local Union that such payment has been made, the amount of such payment, and the names of all employees in the bargaining unit on whose behalf such payment has been made.

It is understood and agreed that participation by any employee in the bargaining unit in the program of deductions 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 deductions from his/her pay which may be received during the four weeks following ratification of this agreement or at any time thereafter.

**ARTICLE XXVIII - DURATION OF AGREEMENT**

28.01 This agreement shall become effective on the 1st day of April, 1998 and shall remain in effect for the period of March 31, 2000, and shall be renewed automatically from year to year thereafter unless either party gives notice of amendment or termination to the other party within ninety (90) days prior to the anniversary date.

DATED AT BELLEVILLE THIS 29TH DAY OF  
JUNE 1998 ON BEHALF OF:

UNITED STEELWORKERS OF AMERICA  
LOCAL 5533

**UNION:**  
*GERALD SINCLAIR*  
*DEBORAH HELM*  
*BERT DAFOE*  
*LARRY PREVOST*  
*ERNIE CLARKE*  
*JAMES STEWART*

**DEORO STELLITE INC.**  
Belleville, Ontario, Canada

**COMPANY:**  
*ROBERT MCKENZIE*  
*JOHN DAVIES*  
*FAZ HOSEIN*  
*DAN SCHMIDT*

STANDARD HOURLY WAGE SCALE  
Standard Hourly Rates Shall Be As Follows:

<u>Job Class</u>	<u>Effective April 1/98</u>	<u>Effective April 1/99</u>
1	13.79	14.29
2	14.05	14.55
3	14.31	14.81
4	14.57	<del>15.07</del> BR.
5	14.83	15.33
6	15.09	15.59
7	15.35	15.85
8	15.61	16.11
9	15.87	16.37
10	16.13	16.63
11	16.45	16.95
12	16.77	17.27
13	17.09	17.59
14	17.41	17.91
15	17.73	18.23
16	18.05	18.55
17	18.37	18.87
18	18.69	19.19
19	19.01	19.51
20	19.33	19.83
22	19.97	20.47

APPENDIX "A"

JOB CLASSIFICATIONS

For reference purposes, Plant Job Description and Classifications will be grouped according to the following breakdown, and Plant Code Numbers will be assigned to each description in groups according to Department and Sub-Division.

The Plant Code Numbers are not intended to have any significance other than that of an index to C.W.S. Job Evaluation Plan.

1. FOUNDRY

- 11 foundry (Floor)
- 12 - Rough Grind
- 13 - Wax Room

2. SHOP

- 31 - Machine Shop
- 32 - Tool Room
- 33 - Weld Shop
- 34 - Wrought Products
- 35 - Powder Metallurgy

3. SERVICE

- 51 - Shipping and Materials
- 52 - Metal Stores
- 53 - Inspection
- 55 Maintenance



INDEX OF C.W.S. JOB DESCRIPTIONS

1. FOUNDRY

Foundry (Floor)	job Class
11-01 - Operator (Cut-Off)	
11-03 - Mould Maker, Dry Sand	9
11-05 - Mould & Core Maker, Resin Sand	9
11-09 - Set Up Pourer	8
11-11 - Furnace Controlman	11
Rough Grind	
12-03 - Rough Casting Preparer	
12-05 Casting Finisher	6
Wax Room	
13-03 - Operator (Wax Assembly)	<del>4</del> BR
13-05 Operator (Wax Machine)	4
13-09 - Ceramic Shell Operator	6

2. SHOP

Machine Shop	Job Class
31-07 - Machine Operator	10
31-09 - Grinder Operator	11
31-13 - Set Up Operator (Grinding Machines)	13
31-15 - Machinist	18
Tool Room 32-01 - Machinist	18
32-03 - Toolmaker	20

<b>Weld Shop</b>	<b>job Class</b>
33-01 - Welder	17
33-03-Heat Treat Operator Wrought Products	8
34-01 - Roller	
34-03 - Fabricator Powder Metallurgy	9
35-01 Operator	5
35-03 Furnace Operator	
35-05 - Setter/Millwright	18
35-07 - Setter	14
35-09 Ball Finishing Operator	8

### **3. SERVICE**

#### **Shipping and Materials**

51-01 - Packer/Janitor	6
51-03 Storeroom Attendant	8

#### **Metal Stores**

52-01- Metal Control Helper	
52-03 - Metal Controller	14

#### **Inspection**

53-03 - Rough Casting Inspector	9
53-05- Final Inspector	12
53-07 - L.P.I. inspector	14
53-09 -Junior Radiographer	17
53-11 - Radiographer Level II	20

#### **Maintenance**

55-05 Millwright	18
55-07 - Electrician (Wireman)	18



APPENDIX "B"

16.01 HOURS OF WORK

	Day Shift	Evening Shift	Night Shift
Punch-In Start	07.84	16.26	00.00
Wash-Up	11.76	19.92	03.92
Punch-Out Lunch	11.84	20.00	04.00
Punch-In Lunch	12.34	20.34	04.50
Wash-Up	16.26	00.50	07.92
Punch-Out Finish	16.34	00.58	08.00

16.01 CONTINUOUS SHIFTS

	Day Shift	Evening Shift	Night Shift
Punch-In Start	08.00	16.00	00.00
wash-up	11.76	19.92	03.92
Punch-Out Lunch	11.84	20.00	04.00
Punch-In Lunch	12.34	20.50	04.50
Wash-Up	15.92	23.92	07.92
Punch-Out Finish	16.00	00.00	08.00

**APPENDIX "C"**

**16.06 LUNCH PERIODS**

**First or Day Shift:**

Commences	-11.84 hours	without pay
Ceases	-12.34 hours	

**Second or Evening Shift:**

Commences	-20.00 hours	without pay
Ceases	-20.34 hours	

**Third or Night Shift:**

Commences	-04.00 hours	without pay
Ceases	-04.34 hours	

**Continuous Shift:**

Three (3) shifts of eight (8) hours each.

**Shift No. 1 (8.00 hours to 16.00 hours)**

Commences	-11.84 hours	without pay
Ceases	-12.34 hours	

**Shift No. 2 (16.00 hours -24.00 hours)**

Commences	-20.00 hours	without pay
ceases	-20.50 hours	

**Shift No. 3 (24.00 hours to 08.00 hours)**

Commences	-04.00 hours	without pay
Ceases	-04.50 hours	

APPENDIX "D"

16.07 WASH-UP PERIODS

	<b>Before lunch</b>	<b>Before End of Shift</b>
First Shift	11.76 - 11.84	16.26 - 16.34
Second Shift	19.92 - 20.00	00.50 - 00.58
Third Shift	03.92 - 04.00	07.92 - 08.00

CONTINUOUS SHIFTS

	<b>Before Lunch</b>	<b>Before End of Shift</b>
First Shift	11.76 - 11.84	15.92 - 16.00
Second Shift	19.92 - 20.00	23.92 00.00
Third Shift	03.92 - 04.00	07.92 - 08.00

Factor 2 - Learner Periods (Periods of 520 hours)	
C	= 1st period - 2 classes below job class
D	= 1st period - 4 classes below job class (and)
D	= 2nd period - 2 classes below job class
E & Above	= 1st period - 6 classes below job class (and)
E & above	= 2nd period - 4 classes below job class (and)
E & above	= 3rd period - 2 classes below job class

**APPENDIX "E"**  
**C.W.S**  
**learner Period**  
**Classification Analysis**

	JOB REQUIRING LEARNER RATE			JOB CLASS FOR LEARNING PERIODS	JOB CLASS FOR LEARNING PERIODS		
	Factor 2	Months	Job Class		NO. of Learner Periods (520 hours each)	1st 520 hours	2nd 520 hours
Furnace Controlman	C	7-12	11		9		
Ball Fishing Op.	C	7-12	8		6		
Roller (Wrought)	C	7-12	9	1	7		
Rough Cast. Insp.	C	7-12	9	1	7		
Machine Operator	C	7-12	10		8		
Heat Treat Operator	C	7-12	8	1	6		
Setter (P/M)	D	13-18	14	2	10	12	
Mould Maker, Dry Sand	D	13-18	9	2	5	7	
Mould/Core Maker, Resin	D	13-18	9	2	5	7	
Grinder Operator	E	19-24	11	3	5	7	9
Molder Pattern Maker	E	19-24	11	3	5	7	9
Set Up Operator (Grinding Machines)	F	25-30	13	3	7	9	11
Final Inspector	F	25-30	12	3	6	8	10
Milwright	F	25-30	18	3	12	14	16
Casting Floor Controller	F	25-30	18	3	12	14	16
L.P.I. Inspector	H	37-48	14	3	8	10	12
Meal Controller	H	37-48	14	3	8	10	12
Junior Radiographer	J	49 & Over	17	3	11	13	15
Radiographer	L	49 & Over	20	3	14	16	18

**APPENDIX "F"**

**ARTICLE XXIV - INSURANCE AND WELFARE BENEFITS**

**Life Insurance**

Every employee who has completed his probationary period and who is in the active employ of the Company shall be provided with Twenty-Seven Thousand Five Hundred Dollars (\$27,500) Life Insurance (effective April 1, 1999 Thirty Thousand (\$30,000) and Twenty-Seven Thousand Five Hundred Dollars (\$27,500) Accidental Death and Dismemberment (effective April 1, 1999 Thirty Thousand (\$30,000)). In the event that an employee is not in the active employ of the Company at the time of his death, then the employee shall be entitled to such life insurance as was in effect as of the last date of his active employment with the Company.

**Weekly Indemnity**

Weekly Indemnity shall commence on the first day of disability due to non-occupational injury or hospitalization and the fourth day of disability due to non-occupational disease and is payable for a maximum of twenty-six (26) weeks during any one period of disability.

The amount of weekly indemnity shall be seventy percent (70%) of the employee's normal weekly earnings at the date of the commencement of this benefit. The weekly indemnity benefit shall be paid on a weekly basis.

Upon receipt of notification of approval of a claim by the Insurer, the Company will immediately advance to the employee, monies equal to the employee's weekly indemnity payments which may be in arrears. Upon receipt of weekly indemnity from the Insurer, the employee shall endorse the cheque(s) over to the Company to the extent of any advances made.

**Medical Benefits**

The Company shall enroll employees in an extended Health Care and Drug Plan, and pay **One** Hundred Percent (100%) of the cost of premiums for such plan for employees who have

provide a Drug Card System with a deductible per prescription of \$2.50, effective October 1/98. Any change in the Drug Plan coverage must be agreed by the Union. The Drug Plan also provides for prescription glasses to a maximum of One Hundred and Seventy-Five Dollars (\$175.00), (effective April 1, 1999 One Hundred and Eighty Dollars) (\$180.00), every two (2) years, when required for each member and for each dependent. The prescription glasses will apply to both safety glasses (when required by employees for work), as well as street glasses.

**Long Term Disability**

Effective April 1, 1989, the Company agrees to pay 50% of the cost of premiums necessary to enroll employees in a Long Term Disability Plan. Employees hereby consent to the deduction of the remainder of the cost of such premiums from their pay cheque.

Long Term Disability protection will commence after the expiry of weekly indemnity and Unemployment Insurance Benefits when an employee is absent from work due to non-occupational injury or illness. The benefit will continue for at least two (2) years while an employee is unable to perform the normal duties of his own occupation, and shall be payable to age sixty-five (65), recovery or the death of an employee, whichever occurs first.

**Insurance and Welfare Benefits**

In the event of a recurring illness, an employee must have returned and been at work for a minimum of thirty (30) days in order for any subsequent recurrence of the illness to be considered as a "new illness".

The Long Term Disability Plan will pay an amount equal to 50% of the employee's basic hourly wage at the time the disability occurred, and the amount of benefits will be integrated with other benefits payable for the same total disability. Long Term Disability will only be available to employees who have at least two years service with the Company.

The terms and conditions of the Long Term Disability Plan shall be subject to common phraseology in contract of

## APPENDIX "G"

### 14.01 Committeemen and Stewards

AREA 1	Machine Shop - Welding Shop - Wrought Products Powder Metallurgy
AREA 2	- Tool Room Maintenance - Inspection
AREA 3	Wax Room - Shipping/Receiving - Metal Stores
AREA 4	Foundry Rough Grind

APPENDIX "H"

DUES CHECK-OFF AUTHORIZATION

EFFECTIVE APRIL 1ST, 1996

I .....

hereby authorize Deloro Stellite Inc., to deduct from my earnings accumulated to my credit and more specifically from my second pay cheque each calendar

month beginning 19 ..,

the union dues of the United Steelworkers of America. The Union will advise the Company in writing of the amount of said dues.

I further authorize the Company to pay the amount to the International Treasurer of the United Steelworkers of America, PO. Box 13083, Postal Station "A", Toronto, Ontario, M5W 1V7, whose receipt therefore shall be considered as discharge to the Company of the amount so deducted.

I agree that the Company shall be saved harmless for all deductions and payments so made.

Name .....

Address .....

Clock No. . .



**APPENDIX "I"**

**DENTAL PLAN**

**Diagnostic**

Examinations

limited to one in six calendar months

01110, 01220, 01130

01300 (no limit)

01400

limited to two per calendar year

01200

X-Rays

02100, 02101 (one in 24 calendar months)

2111 to 02120, 02131 to 02134

02141 to 02146 (twice per calendar year)

02201 to 02204, 02304, 02400, 02430, 02405,

02505, 02600, 02701 to 02705

02800, 02920, 02930

Tests

04100, 04200, 04300

04310, 04330, 04400

**Consultation**

05100, 05200

**Preventative**

Prophylaxis  
limited to two per calendar year  
11100, 11200, 11300, 11301

Fluoride Treatment  
12400

Oral Hygiene Instruction  
13200, 13210, (once in six calendar months)  
13220 (1 unit in six calendar months)

**Preventative**

Space Maintainers  
dependent children only  
15100, 15110, 15111, 15120, 15200, 15210,  
15300, 15310, 15400, 15500, 15600

Occusul Equilibration - 43310

Pit and Fissure Sealants - 13401, 13404

**Minor Restorative**

Amalgam Restorations  
21101 to 21105, 21211 to 21215, 21221 to  
21225

Retentive Plus  
21301 to 21305

Acrylic Silicate or Composite Restorations  
23101 to 23103, 23111 to 23115, 23117, 23201  
to 23204, 23221 to 23223

Cement Restoration 28900

Sedative Dressing 13600

Polycarbonate Crowns  
dependent children up to and including 12 years  
of age only  
21401, 21403, 21411, 21413, 21421

**Minor Surgical**

Extraction:  
71101, 71111, 72100, 72210, 72220, 72230,  
72240

Residual Root Removal - 72310, 72320

**Additional Services**

Anesthesia

only in conjunction with oral surgery, periodontal surgery, fractures and dislocations  
92110, 92120, 92201, 92202, 92215, 92251, 92252, 92310, 92311, 92330, 92340

House/Hospital Visits - 94100, 94200

Special Office Visits - 94400

Periodontics

Non-surgical

41101 to 41104 inclusive 41109, 41211 to 41214 inclusive, 41219, 41221 to 41224 inclusive, 41229, 41301, 41302, 41309

Surgical

The maximum benefit payable will include charges for packing and post-surgical treatment  
42111, 42201, 42311, 42321, 42331, 42339, 42411, 42421, 42431, 42441, 42511, 42521, 42531, 42541, 42551, 42561, 42571, 42581, 42611, 42711  
Adjunctive Services  
42611, 42621, 42711, 42719, 42721 to 42723 inclusive, 42729, 42731 to 42734 inclusive, 42739, 42821 to 42823 inclusive, 42829, 42831 to 42833 inclusive, 42839, 43111, 43221, 43241, 43251, 43261, 43271, 43279, 49101, 49102, 49109, 49211, 49219

Scaling and/or Root Planning

11111 to 11117 inclusive, 11119, 43421 to 43427 inclusive, 43429

Periodontal Appliance and Repair

43611, 43612, 43621 to 43623 inclusive, 43629, 43631, 43632

Endodontics

Pulpotomy

32211, 32212, 32221, 32222, 32231, 32232

Pulpectomy

32311, 32312, 32315, 32321, 32322

Root Canal Therapy

33111 to 33114 inclusive, 33121, 33131, 33141, 33401 to 33401 inclusive

Apexification  
 33601 to 33604 inclusive, 33611 to 33614 inclusive

Periapical Services  
 34111 to 34113 inclusive, 34121 to 34123 inclusive,  
 34131 to 34135 inclusive, 34141 to 34145  
 inclusive, 34211 to 34215 inclusive, 34221 to  
 34223, 34225, 34241, 34242, 34251, 34254,  
 34261, 34264

Root Amputation  
 34401, 34402, 34411, 34412

surgery  
 34601 to 34603 inclusive, 34609

Other Procedures  
 39101, 39201, 39202, 39211, 39212, 39301 to  
 39303 inclusive, 39309

Hemisection  
 34421 to 34423 inclusive

Bleaching  
 39311 to 39313 inclusive, 39319, 39411 to  
 39413 inclusive, 39421 to 39423 inclusive,  
 97111 to 97113 inclusive, 97131 to 97139 inclusive

Intentional Removal, Apical Filling and Reimplanation  
 34451 to 34453 inclusive

Endosseous Treatment  
 39711, 39712, 39721

Emergency and Miscellaneous Procedures  
 39501 to 39503 inclusive, 39911, 39912, 39921,  
 39922, 39931, 39941, 39942

Retrofilling  
 34211, 34212, 34221 to 34224 inclusive, 34231  
 to 34234 inclusive, 34241, 34242, 34251 to  
 34254 inclusive, 34261 to 34264 inclusive

**APPENDIX "J"**

AGREEMENT BETWEEN:

**DELORO STELLITE INC.**

Belleville, Ontario

- and -

**UNITED STEELWORKERS  
OF AMERICA**

Local 5533

PROVIDING a Pension Plan for hourly  
paid employees of Deloro Stellite Inc.,  
Belleville, Ontario.

APPENDIX "J" INDEX

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The Company and the Union agree as follows:

**ARTICLE I - DEFINITIONS**

The following terms, whenever used in this document shall, for the purposes of the Plan, have the following meaning unless a different meaning is clearly indicated by the context.

1.01 "Actuarial Equivalent" means an actuarially equal value computed at the rate of interest and using the actuarial tables last adopted by the Company on the recommendation of the Actuary retained by the Company for the purposes of this Plan.

1.02 "Actuary" means an independent actuary who is a Fellow of the Canadian Institute of Actuaries, or a firm independent actuaries, at least one of whose actuaries is a Fellow of the Canadian Institute of Actuaries; such Actuary to be selected by the Company.

1.03 "Agreement" means any trust agreement or insurance contract, whichever is appropriate, entered into by the Company and the Financial Carrier for the provision of benefits pursuant to this Plan, as it may be amended from time to time.

1.04 "Beneficiary" means a person or persons designated in writing as such by the Member on a form furnished by and to be filed with the Company.

1.05 "Company" means Deloro Stellite Inc.

1.06 "Continuous Service" means the period of uninterrupted employment of an Employee with the Company from his last date of hire. An Employee's period of Continuous Service shall include periods of:

- (a) (i) approved leave of absence without pay,
- (ii) layoff other than layoffs defined in Article 1.06 (b) (iii).

(iii) short-term absence excused by a medical certificate from a qualified doctor,

(iv) paid vacation and holidays, and

(v) temporary work in an official capacity for a union with which the Company negotiates in respect of Employees.

(b) Continuous Service shall be considered terminated if an Employee;

(i) quits or retires,

(ii) is discharged,

(iii) is on lay-off for a period of six consecutive months in the case of an Employee whose period of Continuous Service prior to lay-off was less than one year, for a period of twenty-four consecutive months in the case of an Employee whose period of Continuous Service prior to lay-off was more than one year but less than five years or for a period of sixty consecutive months in the case of an Employee whose period of Continuous Service prior to lay-off was more than five years,

(iv) fails to return from a lay-off or an approved leave of absence or a short-term absence within the time period fixed for such purpose, or

(v) suffers from total and permanent disability and exceeds the time periods set out in Article X.

1.07 "Credited Interest" means the amount of interest determined in accordance with Article V which is credited to the contributions made by the Company on behalf of the Member.

1.08 "Earnings" means the remuneration received by an employee in a Plan Year from the Company, based on the straight-time hourly rate, as determined by the Company, including paid holidays and vacations.

1.09 "Effective Date" means April 1, 1986.

1.10 "Employee" means a regular full-time hourly paid employee of Deloro Stellite inc.



1.11 "Financial Carrier" means an Insurance Company and/or Trust Company in Canada as the Company may from time to time appoint for the purpose of holding and investing the funds of the Plan.

1.12 "Fund" means the fund established for purposes of providing benefits under the Plan and which is governed by the Agreement executed between the Company and the Financial Carrier.

1.13 "Insurance Company" means an insurance company authorized to carry on a life insurance business in Canada.

1.14 "Member" means an Employee who has joined the Plan in accordance with Article II, for as long as he remains in the employment of the Company.

1.15 "Pension Benefits Act" means the Pension Benefits Act, 1987 and Regulations thereunder, as amended from time to time, and includes as appropriate and from their respective qualification dates, legislation adopted by any other Province or by the Government of Canada and designated under the Pension Benefits Act, 1987.

1.16 "Pensioner" means a person who is in receipt of a pension in accordance with the terms of the Plan.

1.17 "Plan" means the Pension Plan for Hourly Paid Employees of Deloro Stellite Inc., Belleville, Ontario as defined herein and as it may from time to time be amended in accordance with Article XIII.

1.18 "Plan Year" means the 12-month period ending on March 31 of each year.

1.19 "Prior Plan" means the Pension Plan for Hourly Employees of Deloro Stellite Division of Cabot Canada Limited as in effect on March 31, 1986. Benefit accrued by a member up to and including March 31, 1986, if any, will be payable under the Prior Plan.

1.20 "Retirement Date" means the normal retirement date of a Member or other retirement date, as the case may be, as defined in Article IV.

1.21 "Spouse" means either a man or woman who  
(a) are married to each other  
or  
(b) are not married to each other and are living  
together in a conjugal relationship  
(i) continuously for a period of not less than 3 years,  
or  
(ii) in a relationship of some permanence, if they  
are the natural or adoptive parents of a child, both as defined  
the Family Law Act, 1986. If the member is survived by both  
a legal spouse and a common-law spouse, the term "spouse"  
shall mean the legal spouse, unless the Member has  
designated his common-law spouse by name as his  
beneficiary  
on a designation form filed with the Company, in which event  
the term "Spouse" means the named common-law spouse.

1.22 "Termination of Employment" means the  
severance of an Employee's Continuous Service with the  
Company for a reason other than death or retirement.

1.23 "Total and Permanent Disability" means total  
disability:  
(i) by bodily injury or disease or by mental  
derangement through some unavoidable cause which  
prevents an Employee from engaging in any  
regular occupation or employment for remuneration or  
profit;  
and  
(ii) which is expected to be permanent and  
continuous during the Employee's remaining lifetime; each  
as  
determined by the Company on the basis of  
certification by the medical practitioner(s) obtained by the  
Company from time to time for such purpose but  
not more frequently than annually. In such cases, the  
Company's medical practitioner shall consult

1.24 "Union" means the United Steelworkers of America, on behalf of its local 5533.

1.25 "Vesting" means the full and irrevocable right to an interest in a benefit of the Plan upon completion of at least twenty-four(24) months of membership in the Plan and/or the Prior Plan.

1.26 "Year's Maximum Pensionable Earnings" means in respect of any calendar year for which a determination is required, the Year's Maximum Pensionable Earnings for such year as defined in the Canada Pension Plan.

#### ARTICLE II - ELIGIBILITY AND MEMBERSHIP

##### 2.01(1) Membership In The Plan For Full-Time Employees

(a) Each full-time employee who is a Member of the Prior Plan on April 1, 1986 shall automatically become a Member of the Plan.

(b) Each other full-time employee on April 1, 1986 and each Employee hired by the Company after April 1, 1986 shall become of Member of the Plan on the first day of the month coincident with or immediately following the later of April 1, 1986 or the date he has completed 24 months of Continuous Service with the Company. For the purposes of this Section 2.01 (1), continuous service shall include uninterrupted continuous service, if any, under the prior plan.

(2) Membership In The Plan for Non-Full Time Employees Effective January 1, 1988, each non-full time employee may, but is not required to become a Member of the Plan upon completion of 24 months of Continuous Service, or the first day of the month thereafter upon application to the Company, provided such Employee worked 700 hours or earned at least 35% of the YMPE in each of 2 consecutive years immediately prior to becoming eligible for membership in the Plan.

The membership of such part-time Employees shall not cease by reason only that he or she has earnings of less than 35% of the Year's Maximum Pensionable Earnings, or is employed for fewer than 700 hours in a subsequent calendar year.

2.02 information to Employees

(a) The Company shall furnish to each Employee a written explanation of terms and conditions of the Plan and any amendments thereto, together with an explanation of the rights and duties of the Employer with reference to the benefits available under the Plan and such other information as may be prescribed by The Pension Benefits Act of Ontario and Regulations thereunder or any other legislation applicable to the

Employees.

(b) The Company shall furnish to each Employee, annually, a written statement setting out the Member's rights and entitlement under the Plan including vested accumulated benefits.

2.03 **Membership In The Plan Is Not A Contract Of Employment** Membership in the Plan shall not be construed as a guarantee of continuing employment with the Company; furthermore, no provision or condition hereof shall restrict the right of the Company or the Employee to terminate his employment at any time.

**ARTICLE III - CONTRIBUTIONS**

3.01 **Contributions By The Company** Subject to limitations imposed under the Income Tax Act (Canada), the Company shall contribute to the Plan on behalf of each Employee: Effective April 1, 1998, and each subsequent April 1 (or other date in any contract year when wage rates are adjusted) the Company will recalculate and contributed the hourly contribution for each eligible employee, at the rate of 5.5% of Job Class 11, for each regular straight time hour worked by each Employee. Paid Holidays and vacations shall be considered worked days consisting of eight (8) regular straight time hours each.

Notwithstanding the above, the Company will provide for contributions in each year of an amount not less than 1% of Members Earnings for the year of participation.

Effective April 1, 1998 provide an extra payment of \$0.04/hour for employees with 1971 or earlier seniority date.

**3.02 Remittance of Contributions**

Contributions shall be remitted to the Fund monthly by the Company.

**3.03 Forfeitures**

Any amount of Company contributions, including Credited Interest, which means in the Trust Fund at the end of each Plan Year as a result of the forfeiture of such Company contributions and Credited interest on the retirement. Termination of Employment or death of a Member who does not qualify for a benefit under Article IV, VII or IX hereby, shall be used by the Company toward the contributions are required to be paid pursuant to Section 3.01 for the next Plan Year.

**ARTICLE IV - RETIREMENT DATE**

**4.01 Normal Retirement Date**

The normal retirement date of a Member shall be the first day of the month coincident with or immediately following his sixty-fifth (65th) birthday. A Member who has attained Vesting must commence receiving his monthly pension from such date unless he receives a pension pursuant to Section

**4.02 Early Retirement Date**

(a) A Member who has attained Vesting may elect to retire early on the first day of any month during the ten year period immediately preceding his normal retirement date, provided written notice of such election is filed with the Company by the Member at least three months prior to the effective date of early retirement.

(b) The withdrawal of monies from the Fund to provide benefits payable at an early Retirement Date shall normally occur within thirty (30) days of the later of the Retirement Date and the date the Member's written election of the form of payment is received by the Company. The Company reserves the right, however, to delay the withdrawal of monies for such purpose for up to six (6) months in the event that there are insufficient cash assets available on the date of intended withdrawal to fully provide for the Member's entitlement. In the event that a delay occurs, any monthly payments due to the Member from his Retirement Date to the actual date of delayed purchase of his pension shall be paid in a lump sum to such Member within thirty (30) days of the purchase date of such pension from an Insurance Company.

**4.03 Retirement As A Result of Disability**

A Member who has attained Vesting may elect to receive a pension based on the Member's benefit established pursuant to Article VIII and Article X if he suffers Total and Permanent Disability, such pension to commence from the date such Member becomes eligible for and received Canada Pension Plan benefits as a result of the Member's Total and Permanent Disability.

**ARTICLE V - INTEREST**

**5.01 Net Investment Income**

The net investment income of the Fund shall consist of the aggregate of the investment income, capital gains or losses realized and unrealized, of the Fund less any investment and administration expenses charged to the Fund.

5.02 **Allocation Of Net Investment Income**

The net investment income shall be allocated periodically, but at least at the end of each Plan Year, to the contributions made by the Company, in the form of Credited Interest and in accordance with an equitable manner approved by the Company.

5.03 **Interest Or Withdrawal**

Credited Interest in the event of the retirement, termination of employment, or death of a Member during a Plan Year shall be calculated at an effective rate per annum equal to the 12-month average of the non-chequeable savings deposit rates in the Bank of Canada Review dated September 30 of the immediately preceding year and shall be applied from the end of the immediately preceding Plan year end to the first day of the month in which monies are withdrawn from the fund to provide the benefit entitlement.

**ARTICLE VI - PENSION**

6.01 **Eligibility For A Pension**

Each Member who has attained Vesting is entitled to a pension commencing on his Retirement Date, the initial amount of which is calculated in accordance with the terms of Section 6.03. The Member becomes a Pensioner on the effective date of commencement of payment of his pension.

6.02 **Normal Form Of Pension**

(1) **Members Without A Spouse**

If the Member does not have a Spouse at the date on which his pension payments commence, the normal form of pension provides for payment of equal monthly installments of pension at the beginning of each month for the Pensioner's lifetime.

**(2) Members with A Spouse**

If a Member has a Spouse at the date on which his pension payments commence the automatic form of the pension benefit in respect of Membership service shall be a pension benefit payable to the life of the member, with a survivor annuity for the life of his spouse, of 60% of the amount of retirement benefit received by the member. The Pensioner and the Pensioner's Spouse may jointly waive the requirements of Section 6.02(2) above, by completing a written witnessed declaration to that effect in a form as prescribed by the Pension Benefits Act. Benefits shall then be paid in accordance with Section 6.02(1) above, or Article VII herein, as applicable.

**6.03 Amount of Pension**

The pension payable to a Member on his Retirement Date shall be equal to the amount of pension in the normal form, or an optional form as elected by the Member which can be purchased from an Insurance Company with an amount equal to the contributions made on behalf of the Member by the Company, plus Credited Interest.

**ARTICLE VII - OPTIONAL FORM S OF PENSION**

**7.01 Joint Annuity Option**

Instead of the Pension in the normal form as provided for in Section 6.02, a Member may elect a joint annuity option providing for a reduced monthly pension during his lifetime and for the continuance after his death of a percentage of such reduced pension to a designated joint annuitant. Such percentage which shall be specified by the Member at the time of the election of options, shall be either 100%, 75%, 66 2/3% or 50%.



7.02 Life Pension With Five, Ten or Fifteen-Year Guarantee Instead of the pension in the normal form as provided for in Section 6.02, a Member may elect a life pension with a five, ten or fifteen-year guarantee. Under this option, a pension is payable monthly to the Member during his lifetime and, in the event of death before the payments have been made for the guaranteed period elected, such payments shall be continued to his Beneficiary for the balance of the guaranteed period or the Actuarial Equivalent of the balance of such guaranteed monthly payments shall be paid to his Beneficiary. In the event there is no Beneficiary on the date of death of the Pensioner, an Actuarial Equivalent lump sum shall be paid to the estate of the Pensioner.

7.03 **Other Options**

A Member may elect any other optional form of pension to which the Company agrees, subject to such conditions and restrictions as the Company shall specify and to the limitations imposed by any legislation or regulation to which the Plan is subject.

7.04 Time and Method of Election of Options

A Member may elect an optional form of pension in accordance with Section 7.01, 7.02, 7.03 or may change or revoke his election at any time prior to the commencement of the payment of his pension.

In case of an election of life pension continuing to a joint annuitant, if the joint annuitant dies before the commencement of the payment of pension, the election shall be void.

Any elected option is irrevocable once the payment of the pension has commenced.

**ARTICLE VIII - TERMINATION OF EMPLOYMENT**

**8.01 Deferred Pension or Transfer to a Locked-In R.R.S.P.**

A Member who upon Termination of Employment has attained Vesting shall be entitled to elect one of the following options:

(a) to receive a deferred pension, in the normal or an optional form, commencing on his normal retirement, early retirement date, or any date the member may elect within the 10-year period prior to his normal retirement date, equal to the amount of pension that can be purchased from an Insurance Company with the contributions plus credited interest made on his behalf by the Company; or

(b) to transfer an amount equal to the contributions plus credited interest made on his behalf by the Company to:

(i) a lock-in registered retirement savings plan as prescribed in the Pension Benefits Act; or

(ii) another pension plan in which the member is a member or former member, providing the terms of the other pension plan permit such a transfer and provided that such sum can be administered in accordance with the Pension Benefits Act;

(iii) an insurance company licensed to transact business in Canada for the purchase of a deferred life annuity that will not commence prior to the member's early retirement date.

(c) Section 8.01(b) above shall not be applicable to a member, whose employment is terminated and who is entitled to an immediate pension payment in accordance with Sections 4.01 and 4.02 herein.

(d) The member must elect within 60 days or any other period of time which may be prescribed under the

Pension Benefits Act to receive payment under either Section 8.01(a) or (b) herein. If the member fails to make an election within the prescribed period of time, the member shall be deemed to have elected the pension benefit pursuant to Section 8.01(a) herein.

#### **ARTICLE IX - DEATH BENEFITS**

##### **9.01 Death Before Commencement of Pension**

(a) In the event of the death of a Member who has attained vesting, while in the employment of the Company before commencement of his pension or if a member dies following his termination of employment but prior to the commencement of any deferred pension payable under the Plan, a lump sum payment equal to the contributions made on behalf of the Member by the Company, plus credited interest, shall be payable to the member's surviving spouse, or in the absence of a surviving spouse, the member's beneficiary.

(b) The surviving spouse may elect, in lieu of the lump sum amount payable in accordance with Section 9.01 (a) above, to receive an immediate or deferred pension payable on or before the surviving spouse attains age 65 equal to the contributions made on behalf of the member by the Company, plus credited interest. The member's surviving spouse must elect within 90 days or any other period of time which may be prescribed under the Pension Benefits Act to receive payment under either Section 9.01 (a) or (b). If the surviving spouse fails to make an election within the prescribed period of time, the spouse shall be deemed to have elected to receive an immediate pension under Section 9.01 (b) above. A member and his spouse may jointly waive the spousal entitlement under Section 9.01 in a form prescribed by the Pension Benefits Act, in which event the death benefit would be payable to the beneficiary in accordance with Section 9.01 (a).

Notwithstanding the foregoing, a spouse who was living separate and apart from the member on the date of the member's death shall not be entitled to any benefit under this Section 9.01, unless such spouse is the member's designated beneficiary.

#### **ARTICLE X - DISABILITY**

##### **10.01 Disability**

In the event that a Member suffers from Total and Permanent Disability and has

(a) completed less than one year of Continuous Service and has been absent from work for a period in excess of six (6) consecutive months in cases of a non-occupational disability or illness, or

(b) completed one or more years of Continuous Service and has been absent from work for a period in excess of twenty-four (24) consecutive months in cases of a non-occupational disability or illness, such Member shall be considered to have incurred a Termination of Employment at the expiration of such period and the provisions of Article VIII shall apply (subject to Article IV).

10.02 In the event that a Member suffers from Total and Permanent Disability and has:

(a) completed less than one year of Continuous Service and has been absent for a period in excess of eighteen consecutive months following the day for which the Member last received Workers' Compensation Weekly Benefits as a result of occupational illness or disability, or

(b) completed more than one year of Continuous Service and has been absent for a period in excess of sixty (60) consecutive months following the day for which the Member last received Workers' Compensation Weekly Benefits as a result of occupational illness or disability, such Member shall be considered to have incurred a Termination of Employment at the expiration of such period and the

## **ARTICLE XI -TRANSFER**

**11.01 Transfer From An Employment Status Not Eligible For The Plan** In the event that an employee of the Company is transferred from an employment status not eligible for membership in the Plan to an employment status eligible for membership in the Plan, his continuous period of employment with the Company before the date of the transfer shall be considered as Continuous Service under this Plan.

**11.02 Transfer To An Employment Status Not Eligible For The Plan**

In the event that an Employee is transferred to an employment status not eligible for membership in this Plan, the Company shall cease to make contributions on his behalf. The contributions made on his behalf by the Company plus Credited Interest up to the date of the transfer, shall continue to earn Credited Interest from such date of transfer to the Member's Retirement Date, Termination of Employment, or death, whichever occurs first. The benefits payable in respect of his period of membership in this Plan shall continue to be determined in accordance with the terms of this Plan and the period of continuous employment with the Company after the date of transfer shall be considered as Continuous Service for purposes of this plan.

## **ARTICLE XII - PAYMENT OF BENEFITS**

**12.01 Currency**

All benefits from the Plan are payable in the legal currency of Canada, regardless of any other benefits, governmental or otherwise, which may be payable with respect to a Member.

**12.02 Proof of Age**

The Member shall provide a satisfactory proof of his age and his joint annuitant's age, if any, before any pension is purchased pursuant to the provisions of

Section 6.03 and/or 8.01. The proof of age may be certified by an official birth certificate issued by a competent authority or in any other form satisfactory to the Insurance Company or any other interested parties.

**12.03 Non-Alienation of Benefits**

Except as provided by the Pension Benefits Act and pursuant to a domestic contract as defined in the Family Law Act, 1986 or a court order determining entitlements arising under the Family Law Act, 1986, benefits under the Plan shall not be subject in any manner to alienation, anticipation, sale, transfer, assignment, pledge, attachment, or encumbrance of any kind. Except as provided above, any attempt to alienate, anticipate, sell, transfer, assign, pledge, attach or otherwise encumber any such benefits shall be void. No benefit and no trust established in connection with this plan shall in any manner be subject to debts or liabilities of any member, pensioner, beneficiary or contingent annuitant entitled to any benefit, nor shall the financial carrier be required to make any payment towards such debts or liability.

**12.04 limitations Regarding Small Payments**

If the amount of annual pension to which a member is entitled at his normal retirement date is not more than 2% of the Year's Maximum Pensionable Earnings in the year that the former member terminated employment, the Company may make a lump sum settlement in full discharge of all liabilities in respect of such pension. This lump sum settlement is equal to the amount that would have otherwise been used to purchase the pension from an Insurance Company.

**12.05 Payments to Minors and Incompetents**

If the Company receives satisfactory evidence that a Member or other recipient entitled to receive any benefit hereunder is physically or mentally incompetent to receive such benefit and to give a valid release therefore, or is a

taining or has custody of such Member or other recipient and that no tutor, guardian, family council or other representative of such Member or other recipient has been duly and legally appointed, the Company may authorize the payment of such benefit to such other person or institution, whose receipt shall be a valid and complete discharge for the payment of such benefit.

**12.06 Misstatement of Information**

If a Member's age, period of membership, Continuous Service with the Company or other relevant facts affecting the amount or date of any payment under the Plan shall have been found to be misstated, no greater or lower amount shall be payable under the Plan than that which would have been provided on the basis of the correct information. Any over-payment or excess credit to a Member or other recipient of benefits under the Plan may be charged against any further payments to such Member or recipient, or recovered in such other manner as may be deemed advisable by the Company, and any under-payment shall be paid to the Member or to the recipient.

**12.07 Designation of Beneficiary**

A Member may, upon enrollment, designate a Beneficiary to whom in the event of his death, shall be paid such sums, if any, as may under the terms of the Plan be payable following the death of such Member.

Provided there are no legal or other restrictions to the contrary, the Member may from time to time revoke any such appointment without the consent of the Beneficiary and appoint a new Beneficiary. If no Beneficiary has been designated, any payments due shall be paid to the Member's estate in a lump sum.

ARTICLE XIII - AMENDMENT OR TERMINATION  
OF THE PLAN

13.01 **Amendment**

The Company reserves the right to amend the Plan, from time to time, as may be required by any statute or regulation or as may be agreed by the Company and the Union. Any amendment shall be effected by attaching to the Plan a certified copy of such amendment provided that no such amendment shall reduce the benefits accrued to Members up to the date of such amendment.

13.02 **Termination of the Plan**

If the Plan is terminated, the Fund shall be used to meet all liabilities under the Plan in accordance with The Pension Benefits Act of Ontario and Regulation thereunder through the purchase of annuities from an Insurance Company, transfers to non-commutable Registered Retirement Savings Plan or cash settlements.

ARTICLE XIV - ADMINISTRATION OF THE PLAN

14.01 **Administrator**

The Company shall be the administrator of the Plan. The Company, or its appointed agent, shall

(a) decide on any question relating to the determination of Continuous Service with the Company, eligibility, early retirement and any other question relating to the administration, interpretation, or application of the Plan, subject to the restrictions imposed by the applicable legislation;

(b) appoint the Financial Carrier who will administer the Plan and the Fund and receive all contributions made under the Plan;

(c) determine the method of allocation of the net investment income, as per section 5.02 hereof;

(d) make such uniform rules and regulations as it may deem necessary to carry out the provisions of the Plan and modify such rules and regulations from time to time;



Beneficiaries in accordance with the provisions of the Plan, and to determine to whom such benefits are payable;

(f) authorize the payment of the benefits;

(g) supervise the purchase of annuities from an Insurance Company;

(h) maintain appropriate records on each Member of the Plan, such records to include all the data required for the proper administration of the Plan;

(i) maintain a detailed accounting of the assets and liabilities of the Fund and to ensure that all elements of income and disbursements are properly recorded;

(j) determine and/or modify the investment policy under which the Plan assets are to be invested by the Financial Carrier;

(k) perform any other functions required by the legal authorities to be performed by the Administrator of the Plan.

#### **ARTICLE XV - FUND**

##### **15.01 Establishment of the Fund**

The Company shall establish and maintain, for as long as the Plan is in effect, a Fund for the purpose of providing the benefits available under the Plan. All contributions made by the Company shall be deposited in the Fund. The Financial Carrier shall administer the Fund in accordance with the terms and conditions of the Agreement and of any applicable legislation.

15.02 The Fund shall have a fiscal year ending December 31<sup>st</sup> each year.

**Deloro Stellite**

APPENDIX "1"

Deloro Stellite Inc.  
P.O. Box 5300  
Belleville, Ontario  
K8N 5C4  
Tel: (613) 968-3481  
Fax: (613) 966-8269

April 1, 1996

Mr. G. Sinclair  
President, Local 5533  
United Steelworkers of America  
c/o Deloro Stellite Inc.  
P.O. Box 5300  
Belleville, Ontario  
K8N 5C4

Dear Gerry:

The Company wishes to assure the local Union that, as the opportunity arises, it will provide to all employees currently employed in Job Class 8 or below, the opportunity to be trained in all work in their job class.

With respect to employees employed in Job Class 9 or above, the Company will, as the opportunity arises, provide such employees with the opportunity to be trained in all aspects of the C.W.S. job description.

Sincerely,

**DELORO STELLITE INC.**  
R. C. McKenzie  
Manager, Human resources

**APPENDIX "2"**

**LETTER OF AGREEMENT**

**RE: SCHEDULING**

**BETWEEN**

**DEORO STELLITE INC.**

**AND**

**UNITED STEELWORKERS**

**OF AMERICA**

## APPENDIX "2"

### Letter of Agreement - Scheduling

The Company and the Union agree, for the term of this Collective Agreement to make available to employees a compressed work week, the scheduling for which shall be as follows:

(1) For the term of this Letter of Agreement, Article XVI, Appendix B, C and D are suspended.

(2) The standard work week shall be Pattern "A" with a standard work week of forty paid hours, and a standard work lay of eight paid hours, which shall be the basis for calculating all employees' entitlement to paid holidays, vacation and all other benefits with the exception of bereavement leave. Regardless of the work pattern which they may be working at the time, employees shall be paid for all regular hours they are absent while on bereavement leave granted pursuant to Article 10.07.

(3) Dependent on adequate workload, the Company agrees to allow employees to work extra hours, as mutually agreed upon, during the two-month period immediately preceding the Christmas period in order to enable employees to take extra time off during the Christmas period. All such extra time worked shall be banked hour for hour. The Union must notify the Company on or before October 15 if it wishes the Company to offer this opportunity to employees.

(4) The Company shall give notice of overtime as far in advance as is practical. All overtime work shall be voluntary except in cases of emergency.

(5) Overtime shall be paid at the rate of double time for all hours in excess of twelve (12) hours per day.

(6) (a) No employee on day operations shall be sent off shift, or required to stay home on his regular shift, on a day he is regularly scheduled to work, solely to avoid payment of overtime.

(b) In the event an employee is required to work overtime, and such overtime would carry the employee into the day following the day his or her shift commenced, overtime shall be paid at that time. An eight (8) hour period must elapse before an employee may return to work on regular shift.

(7) The standard work week shall be forty (40) hours.

(8) It is recognized that all hours of work under the following work patterns are paid hours. Accordingly these work patterns set all break to which employees are entitled irrespective of past practice. In order to qualify for a paid break, an employee must have worked before and after the break.

(9) The Company and the Union agree to jointly make application to the Director of the Employment Standards Branch for approval of the implementation of Work Pattern "B" and "C" and the implementation of this Letter of Agreement is conditional upon receipt of such approval.

(10) Employees shall be given at least one week's notice of a change in their regular schedule. Any Employee whose schedule is changed without notice, shall be paid at time and one half for the first shift worked on the new or revised schedule.

(11) Employees shall be permitted to leave the plant premises with the permission of their Supervisor and must clock out when leaving the plant and clock in upon their return.

(12) The terms and conditions of this Letter of Agreement may be added to, deleted or amended by the mutual agreement of the Company and the Union.

(13) Where the provisions of Article XX (Paid Holidays) conflict with the provisions of this Letter of Agreement, the provisions of this Letter of Agreement shall apply.

**14) WORK PATTERN "A"**

a) Hours of work

Work Pattern "A" shall consist of eight (8) consecutive hours, commencing with the employee's regular assigned starting time.

(1) The eight (8) hour work day, commencing at 08:00 hours and concluding at 16:00 hours shall be known as the day, or first shift.

(2) The eight (8) hour work day, commencing at 16:00 hours and concluding at 00:00 hours shall be known as the afternoon, or second shift.

(3) The eight (8) hour work day commencing at 00:00 hours (midnight) and concluding at 08:00 hours shall be known as the night, or third shift.

(4) Where there is a three shift operation the shift change will be accomplished in the following order: Day or First Shift to Night or Third Shift  
Afternoon or Second Shift to Day or First Shift  
Night or Third Shift to Afternoon or Second Shift  
When there are two or three shift operations, the shift changes will rotate two weeks about.

(5) Work Pattern "A" shall commence at 00:00 hours each Monday and conclude at 24:00 hours the following Friday.

b) Paid Breaks

There shall be paid breaks as follows:

DAY SHIFT

10:50 to 10:54 hours/ 11:17 to 11:50 hours

AFTERNOON SHIFT

18:50 to 18:54 hours/21:17 to 21:50 hours

NIGHT SHIFT

02:50 to 02:54 hours/05:17 to 05:50 hours

(c) Overtime

- (i) Overtime payment at time and one half shall be paid for all hours worked in excess of eight hours per day up to twelve hours per day from Monday to Friday inclusive.
- (ii) All work performed on Saturday shall be paid at time and one half.
- (iii) All work performed on Sunday and paid holi days shall be paid at double time.

(15) WORK PATTERN "B"

(a) Hours of Work

Work Pattern "B" shall consist of four (4) consecutive days of ten (10) consecutive hours, commencing with the employee's regular assigned starting time,

- (i) The ten (10) hour work day commencing at 06:00 hours and concluding at 16:00 hours shall be known as the day, or first shift.
- (ii) The ten (10) hour day commencing at 16:00 hours and concluding at 02:00 hours of the following day, shall be known as the afternoon, or second shift.
- (iii) When there is a two shift operation the shift changes will rotate two weeks about.
- (iv) The work week shall be forty (40) hours of work, the work week shall commence at 06:00 hours each Monday and conclude at 02:00 hours the following Friday, or at 06:00 hours each Tuesday and conclude at 02:00 hours the following Saturday.
- (v) The work pattern of the day or first shift need not be the same as that of the afternoon or second shift, provided that the employees who rotate through the shifts select different work patterns for each shift and that the Company determines that the implementation of different work patterns is feasible having regard to the factors set out in 15(d)(i).

**) Paid Breaks**

There shall be paid breaks as follows:

DAY SHIFT

09:08 to 09:50 hours/12:58 to 13:00 hours

AFTERNOON SHIFT

19:08 to 19:50 hours/22:58 to 23:00 hours

**) Overtime**

(i) Overtime payment shall be made for all hours worked in excess of ten (10) hours per day up to twelve (12) hours per day during the regular work week of this Work Pattern at a rate of time and one half.

(ii) All work performed after completion of the regular work week of this Work Pattern and on Saturday shall be paid at time and one half.

(iii) All work performed on Sunday and paid holidays shall be paid at double time.

**) Other**

(i) The implementation of Work Pattern "B" shall be determined by the company's workload, production and operational requirements.

(ii) In a week where one or more paid holidays fall, an employee will receive an extra day off and shall be paid an amount equal to eight hours pay at the employee's basic hourly rate for each such day.

**16) WORK PATTERN "C"**

**) Hours of Work**

Work Pattern "C" shall consist of three (3) consecutive days of twelve (12) consecutive hours, commencing with the employee's regular assigned starting time,

(i) The twelve (12) hour work day, commencing at 06:00 hours and concluding at 18:00 hours shall be known as the day, or first shift.

(ii) The twelve (12) hour work day, commencing at 18:00 hours and concluding at 06:00 hours shall be



(iii) When there is a two shift operation the shift changes will rotate two weeks about.

(iv) The work week shall be thirty-six (36) hours at work, with forty (40) hours pay.

(v) The work week shall commence at 06:00 hours each Friday and conclude at 06:00 hours the following Monday.

**(b) Paid Breaks**

There shall be paid breaks as follows:

DAY SHIFT

09:08 TO 09:50 hours/12:08 to 12:50 hours

AFTERNOON SHIFT

2 1:08 to 2 1:50 hours/00:08 to 00:50 hours

**(c) Overtime**

(i) All work performed outside of the work week shall be paid as per (5) above.

(ii) All work performed on Paid Holidays shall be paid at double time.

**(d) Other**

(i) Available positions for Work Pattern "C" will be posted and filled in accordance with Article IX of the Collective Agreement, however, if there are no applicants to a posting under (i) or (ii) the most junior qualified employee not working Work Pattern "C" will be assigned to the position if it becomes available under (i) or (ii).

(ii) Upon two (2) months written notice to the Company, an incumbent employee working Work Pattern "C" may require the position to be reposted so that his position will be assumed by another employee after either the summer or Christmas shut-down. The incumbent

employee shall remain in the position until a qualified replacement employee is assigned to the position. The incumbent employee will be returned to other work, in the bargaining unit to which he may be entitled subject to Article IX.

(iii) For the purposes of Article XXV, the four hour bonus payment under this Work Pattern shall be considered straight-time hours paid.

(iv) (A)

Except for the Christmas season holiday (New Years, Christmas, Boxing Day and 3 floaters):

(1) When a holiday is celebrated on a regularly scheduled work day the employees on Work Pattern "C" shall receive holiday pay based on a twelve (12) hour day.

(2) An employee shall receive seven (7) hours pay for a holiday celebrated on an unscheduled work day.

(iv) (B)

Christmas Season holidays shall be celebrated as per the plant shutdown and paid on the basis of eight (8) hour days.

(v) Pay day for employees on Work Pattern "C" shall be Thursdays, and at their request may be by direct deposit to their bank account on Fridays.

#### I 7) Work Pattern Selection

(1) The implementation of, or a change in a work pattern is subject to a determination by the Company that the work pattern is feasible or necessary having regard to the factors set out in 15 (d)(i).

(2) Employees assigned to Work Patterns "A" or "B" shall be provided with a semi-annual opportunity to select a change as follows:

(a) Work pattern changes made at the employees' request shall be implemented at the commencement of the first pay period in April and October of each year;

(b) The Union will provide the Company with at least one month's written notice of any desired changes to work patterns.

(c) The Union is responsible for administering the selection process and affected employees must be given prior notice of a request for a change in their work pattern and be given an opportunity to select either work pattern "A" or work pattern "B" by secret ballot vote. The matter will be decided by a simple majority of ballots cast.

(18) The break times contained in the Agreement shall not be altered except where the production requirements of a particular machine/cell/operation are such that downtime of the machine/cell/operation would hinder the ability of the Company to meet such requirements. In these situations, the break times may be altered to stagger breaks, for individuals or groups, no more than fifteen (15) minutes earlier or fifteen (15) minutes later than the times contained in Appendix 2. It is agreed that the altered break times shall be in effect until the requirements for production can be met within the break times herein provided. The Company agrees to keep a minimum, the number of individuals affected whenever these varied break times are implemented.

**Deloro Stellite**

**APPENDIX "3"**

Deloro Stellite Inc.  
P.O. Box 5300  
Delleville, Ontario  
N8N 5C3  
Tel: (613) 968-3481  
Fax: (613) 966-8269

April 1, 1996

Mr. G. Sinclair  
Resident, Local 5533  
United Steelworkers of America  
c/o Deloro Stellite Inc.  
P.O. Box 5300  
Delleville, Ontario  
N8N 5C4

Dear Gerry:

**RE: Schedule "B" - Letter of Understanding**

The Company confirms that Long Term Disability benefits will not be reduced by a Workers' Compensation Pension being received by an employee for a prior injury or illness which is not related, directly or indirectly, to the basis for an employee's claim for L.T.D. benefits.

Sincerely,

**DELORO STELLITE INC.**  
J.C. McKenzie  
Manager, Human Resources

**Deloro Stellite**

**APPENDIX "4"**

Deloro Stellite Inc.  
P.O. Box 5300  
Belleville, Ontario  
K8N 5C4  
Tel: (613) 968-3481  
Fax: (613) 966-8269

April 1, 1996

Mr. G. Sinclair  
President, Local 5533  
United Steelworkers of America  
c/o Deloro Stellite Inc.  
P.O. Box 5300  
Belleville, Ontario  
K8N 5C4

Dear Gery:

**RE: Worker's Compensation**

The Company will continue its present practice of complying with the Workers' Compensation Act and in complying with an affected employee's request for a copy of his Form 7.

Sincerely,

**DELOORO STELLITE INC.**  
R. C. McKenzie  
Manager, Human Resources

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