

**BASIC
AGREEMENT**

**DATED
July 1, 2017**

BETWEEN

**STELCO INC.
Hamilton Works
(Hereinafter referred to as Hamilton Works or the "Company")**

-AND-

**LOCAL UNION 1005
United Steel, Paper and Forestry, Rubber,
Manufacturing, Energy, Allied Industrial and
Service Workers International Union
(Hereinafter referred to as the United Steelworkers or the "Union"),
representing a unit of employees at
Hamilton Works**

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SECTION 1 INTENT AND PURPOSE

1.01 It is the intent and purpose of the parties hereto to set forth herein the Basic Agreement covering wages, hours of work and other terms and conditions of employment to be observed and to provide a procedure for the prompt, and equitable adjustment of alleged grievances, to the end that there shall be no interruption or impeding of work, work stoppages, strikes or other interference with production during the life of this agreement. The Company and the Union agree to comply with the provisions of the Human Rights Code and other employment related legislation.

1.02 In recognition of the desirability of improving communications between the Union and the Company to facilitate solutions of mutual problems which may arise during the term of the Agreement, the parties agree as follows:

- (a) Periodic meetings of the Productivity and Strategic Planning Committee will be held between individuals representing the Management of the Works and the President of the Union and/or his delegate(s).
- (b)
 - (i) Members of the Productivity and Strategic Planning Committee shall be the General Manager Operations and others as may be required for the Company and for the Union, the President and others as may be required.
 - (ii) Such meetings will be held every three months at a mutually convenient date and time, and more frequently on urgent matters as may be requested from time to time by either party at a mutually convenient date and time.
 - (iii) It is further agreed by the parties to provide written response to agenda items upon request of either party and within thirty (30) calendar days of such meeting.
- (c) The purpose of such meetings will be to facilitate implementation of the Productivity Payment Plan and also assist management regarding attrition, temporary assignments, job combinations, etc. This Committee will also review and advise management regarding facility utilization. Specific items to include market opportunities, order constraints, equipment limitations, reinvestment strategies, and specific capital expenditure projects.

Further, the Committee shall discuss general matters of mutual concern arising out of the administration of the Basic Agreement and its Supplements, as well as other matters of mutual concern affecting the interests of the Company and the employees. It is understood that such meetings are not intended to replace or interfere with the Grievance Procedure or other established procedures for administration of the Basic Agreement.

- (d) Details as to the scope of such discussions and other procedural matters will be subject to mutual agreement of the parties.

1.03 The Agreement for an Insurance Program and the Agreement for a Pension Plan Agreement have been executed by the parties as separate agreements which shall continue in effect during the term of the Basic Agreement subject to their specific terms and conditions.

- (a) OPEBs for Retired Members

Stelco shall ensure that \$20 million per year of funding (“the Contributions”) will be provided in accordance with the OPEB Funding Agreement, dated June 30, 2017 and, from June 6, 2018, the Amended and Restated OPEB Funding Agreement, as further amended from time to time, (the “OPEB Funding Agreements”) which the parties acknowledge are for the benefit of the Employee Life and Health Trust for 1005; Subject to the exception of making the Contributions, Stelco will otherwise have no obligation to provide other post-employment benefits (“OPEBs”) to the retired members of Local 1005. The Contributions are set out in OPEB Funding Agreements. It is provided that the OPEB Funding Agreements do not form part of the Basic Agreement or the Agreement for an Insurance Program, and neither the terms of the OPEB Funding Agreements, nor any dispute regarding OPEBs entitlement, are subject to the grievance and arbitration procedure under the Basic Agreement or the dispute resolution provision under the Agreement for an Insurance Program. The parties agree to the amendment of the Agreement for an Insurance Program to give effect to these Sections 1.03(a) and (b). The obligation to make Contributions under the OPEB Funding Agreements shall continue in accordance with the terms of such OPEB Funding Agreements. The parties agree that the Stelco obligations to make Contributions will be renewed and form part of any subsequent collective agreements that are in effect until June 30, 2027, and neither party can bargain to an impasse over these obligations.

- (b) The parties will agree to an arbitrator or panel of arbitrators who are either commercial arbitrators or labour arbitrators with commercial expertise who will be selected to arbitrate OPEBs and/or pension grievances.

- (c) Pension

- (i) Pre-2018 Service – Existing Pension Plan

Notwithstanding the terms of the Basic Agreement and the Agreement for a Pension Plan, including Schedule A thereto, it is expressly agreed and understood that, effective on Closing, Stelco shall have no obligations with respect to the U.S. Steel Canada Inc. Retirement Plan for USW Local 1005 Members at Hamilton Works, FSCO Registration No. 0354878, (“Existing Pension Plan”) other than as set out in the Legacy Pension Arrangement as defined herein. The Superintendent of Financial Services shall appoint an Administrator to administer the Existing

Pension Plan in place of Stelco no later than December 31, 2017 and thereafter Stelco shall no longer be the Administrator of the Existing Pension Plan. The Legacy Pension Arrangement does not form part of the Basic Agreement or the Agreement for a Pension Plan, including Schedule A thereto, and, except for the obligation of Stelco to make the Minimum Contributions (as defined in the Pension Agreement), is not subject to the grievance and arbitration procedure under the Basic Agreement or the dispute resolution provision under the Agreement for a Pension Plan. The Union agrees to the amendment of the Existing Pension Plan to give effect to the Legacy Pension Arrangement effective as of the Closing.

- (ii) “Legacy Pension Arrangement” means the following Stakeholder Agreements: the Pension Agreement, the Pension Deficit Funding Trust, the Carried Interest Agreement, Bedrock Guarantee, and the Tax Savings Agreement, subject to agreed upon amendments, if any, of the parties to those agreements, together with the new Stelco Regulation.
- (iii) Post 2017 Service – New Pension Plan

Notwithstanding the terms of the Basic Agreement and the Agreement for a Pension Plan, including Schedule A thereto, it is expressly agreed and understood that Stelco shall establish a defined benefit pension plan effective January 1, 2018 to provide for the future accrual of pension benefits in respect of service on and after January 1, 2018 in accordance with the Legacy Pension Arrangements, provided however that the only employees eligible to participate shall be those employees who are members of the Existing Pension Plan immediately prior to January 1, 2018 (the “New Pension Plan”). The New Pension Plan shall be funded in accordance with the Pension Benefits Act and regulations (including the New Stelco Regulation), provided, however, that Stelco will be exempt from solvency funding for a ten-year period following the establishment of the New Pension Plan. For greater certainty, no employee hired on or after October 15, 2011 will be permitted to join the New Pension Plan.

The parties will agree to an arbitrator or panel of arbitrators who are either commercial arbitrators or labour arbitrators with commercial expertise who will be selected to arbitrate OPEBs and/or pension grievances.

- (iv) Recognition of Future Service Deficits for Accounting Purposes

If there are Future Service deficits under the New Pension Plan, these deficits will be recognized by Stelco for accounting purposes in its financial statements in accordance with accounting standards.

SECTION 2 RECOGNITION OF UNION

2.01 The Company recognizes the important role of the Union in building and sustaining an economically viable enterprise and in protecting and advancing the rights, goals, and interests of its members.

To that end the Company and the Union are committed to continue building a positive relationship with each other, and to involving the Union and its members in work restructuring.

Therefore, the Company and the Union agree to implement Item 8 Letter of Agreement Re: Work Restructuring at Hamilton Works.

The Company recognizes the Union as the sole and exclusive certified collective bargaining agency for all the hourly and production employees of the Company at Hamilton Works, but excepting:

- (a) Officers and officials of the Company,
- (b) Persons acting in a supervisory or confidential capacity or having authority to employ, discharge, or discipline employees,
- (c) Plant Protection Personnel,
- (d) Bricklayers and masons employed as maintenance men.

2.02 The term "employee" or "employees" as used in this agreement shall mean only such persons as are included in the above defined bargaining unit.

2.03 Any difference which arises between the Union and the Company as to whether a person is in the said bargaining unit may be treated as a grievance and dealt with under the procedure for adjusting grievances set forth in Section 9 hereof.

2.04 The parties agree that:

- (a) There shall be no intimidation of, and no discrimination against, any employee either by the Company or the Union by reason of any activity or lack of activity, past, present or future, with respect to Union affairs or membership.
- (b) No meeting for any purpose of the Union shall be held on the Company's premises except with the written permission of the Company.
- (c) No Union activity shall take place on the Company's premises on the part of any employee during his/her working hours or on Company time (save as expressly

authorized by this agreement) or in such manner or place or at such time as may interfere with or distract or divert any other employee or employees during their working hours or on Company time.

- (d) Officers, Chief Stewards and Stewards of the Union shall be free to accept voluntary applications for membership in the Union, subject to the above prohibitions.
 - (e) The Union shall not distribute or cause to be distributed any handbills, pamphlets, dodgers, Union publications or the like on Company premises except as permitted by the Company.
- 2.05** (a) Supervisors shall not do work ordinarily performed by bargaining unit employees except for:
- (i) Instruction and training of employees, and
 - (ii) Emergency work when employees are absent or not available when required.
- (b) It is recognized that the Company may place non-bargaining unit personnel on bargaining unit jobs for the purpose of providing training for non-bargaining unit positions. It is understood that employees will not be displaced thereby and nothing herein shall be deemed to waive the provisions of Section 7. The Company will notify the Union in writing of any personnel hired or selected for such training.

SECTION 3 COLLECTION OF UNION DUES

- 3.01** The Company shall deduct Union dues including, where the applicable, initiation fees and assessments, on a bi-weekly basis pay from the wages of each employee covered by this agreement. The amount of dues shall be calculated in accordance with the Union's Constitution.
- 3.02** All dues, initiation fees and assessments shall be remitted to the Union forthwith and in any event no later than 10 days from the payday on which the remittance was deducted. The remittance shall be sent to the International Secretary Treasurer of the United Steelworkers, AFL-CIO-CLC, P.O. Box 13083 Postal Station 'A', Toronto, Ontario M5W 1V7 in such form as shall be directed by the Union to the Company along with a completed Dues Remittance Form R-115. A copy of the dues Remittance Form R-115 will also be sent to the Union's Regional Office and to Local 1005's Office.
- 3.03** The remittance and the R-115 form shall be accompanied by a statement containing the following information:

- a) A list of the names of all employees from whom dues were deducted and the amount of dues deducted;
 - b) A list of the names of all employees from whom no deductions have been made and reasons.
- 3.04** This information shall be sent to the Union addresses identified in Clause 3.02 in such form as shall be directed by the Union to the Company.
- 3.05** The Union shall indemnify and save the Company harmless against all claims or other forms of liability that may arise out of any actions taken by the Company in compliance with this Section.
- 3.06** The Company, when preparing T-4 slips for the employees, will enter the amount of Union dues paid to the employee during the previous year.

SECTION 4 MANAGEMENT FUNCTIONS

- 4.01** The management of the plant and the direction of the working forces, including the right to direct, plan and control plant operations, and to schedule working hours, and the right to hire, promote, demote, transfer, suspend or discharge employees for just cause, or to release employees because of lack of work or for other legitimate reasons, or the right to introduce new and improved methods or facilities and to manage the plant in the traditional manner is vested exclusively in the Company, subject to the express provisions of this agreement.

SECTION 5 HOURS OF WORK, OVERTIME, ALLOWANCES AND PREMIUMS

- 5.01** (a) This section provides the basis for the calculation of any payment for overtime, and for establishing work schedules.
- (b) When an employee reports for work after having been scheduled or notified so to report, he/she shall be paid for all hours scheduled at the rate of the job scheduled unless:
- (i) work is not available because of conditions over which the Company has no control, including fire, storm, flood, failure or insufficiency of electrical or other power, or
 - (ii) he/she receives permission from his/her supervisor to leave work, or
 - (iii) he/she has been notified by the Company not to report for work at least two

(2) hours before his/her regular starting time. An employee shall be deemed to have been so notified if the Company has called and left a message at the telephone number recorded by them in his/her department, or he/she has not so recorded any telephone number.

Hours of Work

- 5.02** (a) The normal work day for the purpose of Clauses 5.02 to 5.06 inclusive shall be eight (8) hours of work in a 24-hour period.
- (b) Subject to Clause 5.03 the normal work week shall be any five (5) normal work days within a work week.
- (c) The normal work week shall be forty (40) hours.
- (d) The Union will be notified of the scheduling of monthly safety meetings and shall be provided with a proposed agenda. The parties will meet to discuss the scheduling of safety training. Notwithstanding the provisions of Section 5, it is understood that employees may be required to attend the monthly meetings before their normal work day (eight (8) or twelve (12) hours) and such time will be compensated in accordance with the provisions of Section 5. In all other instances hours worked will be governed by the provisions of the Employment Standard Act.

5.03 The work pattern shall be five (5) consecutive work days beginning on the first day of any seven (7) consecutive day period and may begin on any day of the calendar week and may extend into the next calendar week. The Company may increase or decrease the number of shifts or days on or during which a department may be scheduled, but all employees shall be scheduled on the basis of the work pattern except where:

- (a) Such schedules regularly would require the payment of overtime;
- (b) Deviations from the work pattern are necessary due to breakdowns or other conditions beyond the control of the Company;
- (c) Schedules deviating from the work pattern for reasons other than (a) or (b) above are established by agreement between the Company and the Union. The following representatives will deal with such matters:

For the Union: Plant Grievance Committee Chairperson and Chief Steward of the department involved, or their delegates;

For the Company: Department Manager and Employee Relations Representative of the department involved, or their delegates.

5.04 Schedules of work for each calendar week shall be posted or otherwise made known to

employees by 2:00 p.m. Tuesday of the preceding week. Such schedules shall be provided as requested to the department Chief Steward.

- 5.05** (a) Schedules may be changed by the Company at any time, provided however, that where an employee's schedule is changed after 2:00 p.m. Thursday of the week preceding the calendar week in which the change is to be effective, he/she shall be entitled to overtime rates for straight time hours worked on his/her first re-scheduled working day in the calendar week in which the schedule change is to be effective provided that such employee is not unjustifiably absent, as specified under Letter of Agreement re Employee Absences, on any of the other scheduled work days in such work week. This provision shall not apply where any change in schedule arises from:
- (i) The reassignment of an employee from a posted temporary vacancy when such vacancy ceases to exist and then the resulting subsequent vacancies cease to exist, or;
 - (ii) The assignment of an employee to a job and any subsequent assignments arising out of the application of Clause 7.13 or 7.18, or;
 - (iii) any changes in schedule requested by an employee, or;
 - (iv) any change in schedule due to a breakdown, or unscheduled repair, or;
 - (v) a change in the hours of work for a day, afternoon or night turn.

It is understood that a change in schedule will not be considered to exist, and an employee will not have entitlement to overtime rates under this provision where an employee is required to work an overtime shift or works a day(s) lost from work as a result of the application of Section 7.

- (b) Where employees' schedules are changed under this clause, such change shall be explained at the earliest practicable time prior to the change to the Chief Steward or, in his/her absence, the Steward of the employees affected.
 - (c) An employee's schedule may be changed to another shift or to a new working schedule provided that such changes are not made for the purposes of requiring such employee to take time off work in order to offset overtime already worked or previously scheduled to be worked.
- 5.06** The Company shall provide a paid uninterrupted lunch period of thirty (30) minutes and such lunch period will be scheduled within the middle four (4) hours of the shift.

An employee, who works more than two (2) consecutive hours overtime immediately after having worked a regularly scheduled eight (8) hour shift, will be provided a thirty (30) minute lunch period during the second shift.

It is understood that the granting and scheduling of lunch periods is subject to the needs of particular operations.

Overtime

5.07 (a) The work day for the purpose of Clauses 5.07 to 5.12 inclusive shall be the twenty-four (24) hour period beginning with the time the employee commences work and the work week shall be the seven (7) day period beginning on Sunday at the hour at which the day shift commences in any department.

(b) The Company shall provide a report to the Union President once monthly summarizing the overtime hours worked by occupation within each department.

5.08 Overtime rates shall be paid for:

(a) Time worked in excess of eight (8) hours in a work day.

(b) Time worked in excess of forty (40) hours in a work week.

(c) Time worked before his/her regular starting time when an employee is called in or is notified that he/she is required to work before the regular starting time of any shift of eight (8) hours.

(d) Time worked after his/her regular quitting time when an employee is held after the regular quitting time of any shift of eight (8) hours.

(e) Time worked if an employee is notified that he/she is required to work on his/her scheduled day off, provided however that this provision shall not apply in the case where an employee's schedule is changed to another shift or to a new working schedule which provides alternative day(s) off and such change in schedule is in accordance with the provisions of Clause 5.05.

A day(s) lost from work as a result of the application of Section 7 shall not be considered as a scheduled day(s) off for the purpose of this clause. The Company will designate the day(s) lost from work as the result of the application of Section 7.

(f) An employee who works more than (3) consecutive hours overtime immediately after having worked a regularly scheduled shift, will be paid a \$6.50 meal allowance in his/her regularly bi-weekly pay.

5.09 The hours for which a statutory holiday allowance is paid as provided in Section 12 shall be deemed to be hours worked in computing overtime on a weekly basis, provided the employee was normally scheduled to work such hours. In the event that an employee's weekly schedule for the work week in which the statutory holiday is observed is changed from what he/she

would have been scheduled to work during such work week and as a result of such change in schedule there is a dispute as to whether the employee would have been “normally scheduled to work such hours”, such dispute shall be resolved on the basis of the employee's weekly schedule worked during the eight (8) work weeks immediately preceding the work week in which the statutory holiday is observed.

- 5.10** If an employee works the same hours referred to in Clause 5.09 and qualifies for the special allowance as provided in Section 12, then only the hours for which the special allowance is paid will be used in computing overtime on a weekly basis.
- 5.11** All overtime hours worked, as specified in Clause 5.08, shall be paid for on regular paydays at:
- (a) one and one-half times the regular rate of pay, or
 - (b) double the regular rate of pay if such hours are overtime hours worked on a statutory holiday by an employee who is entitled to the special allowance in accordance with Section 12.

For the purposes of this clause, regular rates of pay shall mean the standard hourly rate of the job plus any out-of-line differential and incentive differential that may apply or earnings under an incentive plan if applicable.

- 5.12** Hours compensated for at overtime rates shall not be counted further for any purpose in determining overtime liability under the same or any other provision. Overtime will be calculated under one provision of this agreement only, even though the hours worked may be overtime under more than one provision.

Allowances

- 5.13** (a) When an employee is called in for any reason or for his/her attendance at any meeting he/she shall receive a minimum of four (4) hours pay at his/her standard job level plus any out-of-line differential and incentive differential that may apply.
- (b) An employee called in to work and required to report at irregular hours (i.e. not a recognized shift) shall receive a full hours pay for a fraction of an hour worked at the beginning or the end of the call-in. An employee required to report after the commencement of a recognized shift and who works the remainder of such shift shall receive a full hour's pay for a fraction of an hour worked at the beginning of the call-in only. This clause shall not apply in the case of an employee notified to report at a specified time.

Premiums

- 5.14** (a) Turn premiums will be paid as follows:
- (i) For hours worked by an employee on his/her regularly scheduled afternoon

turn (3:00 p.m. to 11:00 p.m. or 4:00 p.m. to 12:00 midnight) - forty (40) cents.

(ii) For hours worked by an employee on his/her regularly scheduled night turn (11:00 p.m. to 7:00 a.m. or 12:00 midnight to 8:00 a.m.) - fifty-five (55) cents.

(b) The appropriate turn premium under (a) above shall be paid to an employee who works a full overtime afternoon or night turn as defined therein.

5.15 (a) A premium of one dollar (\$1.00) per hour shall be paid to each employee for all hours worked during the twenty-four (24) hour period following the commencement of the day shift on Saturday.

(b) A premium of one dollar and twenty-five cents (\$1.25) per hour shall be paid to each employee for all hours worked during the twenty-four (24) hour period following the commencement of the day shift on Sunday.

5.16 Any premium paid pursuant to Clauses 5.14, 5.15 or 5.17 shall not be increased by reason of having been earned in overtime.

5.17 (a) An employee who, as a result of the application of Clause 5.03 (a), is scheduled to a work pattern which does not provide two (2) consecutive days off will receive a premium of one dollar (\$1.00) per hour for all straight time hours worked on the first scheduled working day immediately following his/her first scheduled day off.

For the purpose of this clause, only an employee whose two (2) scheduled days off during a work week (Sunday to Saturday) are not consecutive but are separated by one or more scheduled working days, will be entitled to the split days off premium.

Where an employee is scheduled to work a sixth or seventh day, the day(s) which the employee would normally be scheduled off will be designated on the schedule as day(s) off, required to be worked.

(b) An employee will not be entitled to split days off premium where:

(i) his/her scheduled days off during a work week are consecutive, or

(ii) his/her scheduled days off during a work week are Sunday and Saturday and he/she was scheduled in the immediately preceding work week with Saturday and Sunday as days off or with Friday and Saturday as days off, or

(iii) as a result of an employee's request, the Company changes an employee's schedule either to or from a schedule providing for split days off, or

(iii) a schedule provides for split days off as a result of the conditions outlined in Clause 5.05 (a) (i), (ii), or (v).

SECTION 6 WAGES/JOB EVALUATION

6.01 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. The standard hourly rate for each job shall be the standard hourly rate for all jobs classified within each respective pay level.

6.02 Standard Pay Levels

The Standard Hourly Rates of Pay in effect are set forth in Appendix 'A'.

Production and Maintenance Jobs

6.03 The standard hourly rate for each production or maintenance pay level 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.

Learner Rates

6.04 An employee who is being trained on a job in accordance with the provisions of Clause 7.09 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 pay Level 1, or
- (b) In the case of a non-probationary employee transferred to the learner job, the standard hourly rate of the pay level from which he/she was transferred or Level 2.

Description and Classification of New or Changed Jobs

6.05 As part of the job restructuring and final implementation of the job levels the parties have agreed to establish new jobs to replace the existing jobs. The descriptions for these seven (7) jobs are very broad in nature and apply to all Divisions of Hamilton Works. Due to the manner in which these jobs are described, the Parties do not anticipate that it will be necessary to change these descriptions or corresponding job levels. The parties have, however, agreed to a review of job levels by the Senior Restructuring Committee, which will adopt the procedure set out herein if change is required:

- (a) The jobs provided for under this Agreement are set forth in Appendix 'C'.
- (b) The job description and level grade classification for each job in effect as of the date of this Agreement shall continue in effect unless changed in accordance with mutual agreement of the Senior Restructuring Committee.

- (c) The Union shall designate two (2) employees to serve on a Job Evaluation Committee. Such employee(s) shall be provided with paid time off to conduct their business as described in this Section. Time so spent will be deemed to be time worked for all provisions of the Basic Agreement, Supplementary Unemployment Benefit Plan (SUB), Group Insurance and Pension Agreement and paid for at the employees' rate of pay.
- (d) In the event the Company chooses to modify the duties of an existing job, or create a new job, it shall follow the procedure outlined below. The applicable pay level for the job shall become effective on the date the new job was established or on the date the job content of the existing job was changed. The Company shall meet with the Job Evaluation Committee and present it with a written description of how it intends to modify an existing job or a complete description of a proposed new job.

The description shall include:

- (i) the requirements of such new or modified job in the areas of training, skill, responsibility, effort and surroundings (requirements);
- (ii) the Company's view as to how these requirements compare to the requirements for existing jobs at the plant; and
- (iii) based on paragraphs (a) and (b) above, at what level the Company believes the job should be paid.

6.06 The Job Evaluation Committee shall be provided with any additional information requested in connection with its assessment of the new or modified job.

6.07 In the event the parties are unable to agree upon the appropriate pay level for the new or modified job, such dispute shall be reviewed by the Senior Restructuring Committee.

Transfers

6.08 When an employee is permanently transferred from one job level to another, he/she shall be paid the job level to which he/she has been transferred.

6.09 Conditions may require the Company to assign an employee to a job other than the job on which he/she is regularly employed and in a different pay level, for any period not exceeding thirty (30) days. It is understood that this provision will only be implemented by the Company when the specific condition requiring such implementation is anticipated to be for thirty (30) days or less. Prior to any such implementation, the Department Manager or his/her delegate(s) will meet with the Chief Steward(s) of the department (s) to discuss such assignment. The Company will notify the Plant Grievance Committee Chairperson of all such meetings and will arrange for his/her attendance where practicable.

An employee shall be paid the greater of:

- (a) the rate of the pay level of the job on which he/she is regularly employed, or
- (b) the rate of the pay level of the job to which he/she is transferred, or
- (c) the average hourly rate earned by such employee in the preceding pay period.

Wage Grievances

6.10 Except as otherwise provided herein, no basis shall exist for an employee to allege that a wage rate inequity exists, and no grievance on behalf of an employee alleging a wage rate inequity shall be filed or processed during the term of this agreement.

SECTION 7 SENIORITY

7.01 For the purpose of this agreement, "service" shall mean an employee's length of service with the Company at Hamilton Works since the date of his/her last hiring or rehiring, but shall include service as provided in Clause 7.03 hereunder. Where two or more employees have the same service date the employee with the lowest permanent number assigned by the Company shall be considered to have the longest length of service.

7.02 Service and employment shall be terminated when an employee:

- (a) Resigns;
- (b) Is discharged;
- (c) Is laid off for lack of work;
- (d) Is absent due to a disability not compensable under the Workers' Safety and Insurance Board, for a period exceeding the limits set forth in Clause 7.03 (a) relating to length of service and recall entitlement;
- (e) Is absent for more than five (5) consecutive working days subject to the Letter of Agreement re Employee Absences;
- (f) Is absent due to a disability compensable under the Workers' Safety and Insurance Board for a period exceeding either, the period in respect of which temporary total or temporary partial disability compensation payments are made to him/her under the said Act, or for a period exceeding the limits set forth in Clause 7.03 (a) relating to length of service and recall entitlement, except that in the case of an employee with ten (10) or more years of service, for a period of five (5) years, whichever is the greater;

- (g) Fails to return to work at the termination of a leave of absence, except with the written consent of the Company;
- (h) Fails to report for work within ten (10) working days after being instructed to report by mailing to him/her of a registered notice at the last address appearing on the office records, unless the employee has obtained a written leave of absence from the Company for a period which does not expire within such ten (10) days.

7.03 (a) When an employee, other than a probationary employee has been laid off he/she shall be entitled to recall in inverse order of the layoff procedure, as follows:

- (i) Less than two (2) years of service at the date of layoff - for a period of twenty-four (24) months from the date of layoff.
- (ii) Two (2) years but less than three (3) years of service at the date of layoff - for a period of thirty (30) months from the date of layoff.
- (iii) Three (3) years but less than four (4) years of service at the date of layoff - for a period of thirty-six (36) months from the date of layoff.
- (iv) Four (4) years but less than five (5) years of service at the date of layoff - for a period of forty-two (42) months from the date of layoff.
- (v) Five (5) or more years of service at the date of layoff - for a period of forty-eight (48) months from the date of layoff.

(b) If a former employee is recalled and rehired within the applicable period, his/her service shall include service prior to such layoff and further accumulation of service as follows:

- (i) In the case of an employee with at least one (1) year of service at the date of layoff, the first nine (9) months of the layoff will be included with his/her prior service, or
- (ii) In the case of an employee with three (3) years or more of service at the date of layoff, the first fifteen (15) months of the layoff will be included with his/her prior service.

(c) If a former employee fails to report for work within eighteen (18) calendar days after being recalled by a registered letter to the last address on the employment records, he/she shall not be further entitled to recall. The date of the registered letter recalling the employee to work shall be considered as the date of return to work if he/she reports for work within the prescribed period.

7.04 In all hiring for bargaining unit positions, the Company shall give full consideration to immediate family members of current employees who meet reasonably established hiring criteria. The decision and right to hire remains vested with the Company.

- (a) An employee shall be considered a probationary employee until he/she has been in the employ of the Company continuously and has worked 520 hours. Upon completion of such probationary period he/she shall have service dating from his/her last hiring date, and, in the case of an employee who was previously laid off and rehired, there shall be added to such service, any periods of employment as a probationary employee within the six (6) month period preceding his/her last hiring date.
- (b) The parties agree that a probationary employee is not entitled to grieve his/her discharge and may be discharged at the sole discretion of the Company unless discharge for Union activity is alleged. A probationary employee is entitled to all other rights and privileges accruing to employees under this agreement. This clause shall continue to be so interpreted during the term of this agreement unless and until it is amended, modified or altered as a result of specific change or amendment to the current Labour Relations Act.

Should an employee who is discharged for reasons other than Union activity wish to appeal the Company decision, he/she may, within seven (7) days of his/her discharge, request a meeting with the General Manager, Operations or Manager – Employee Relations or their delegate(s) with a Union representative in attendance at the employee's request. Within seven (7) days following such meeting the Company will issue a final decision regarding the discharge.

A probationary employee who is so discharged will be advised of the provisions of this procedure at the time of his/her termination. It is understood that failure to so notify the employee will not nullify the termination of such employee.

- 7.05**
- (a) The Company shall compile lists showing the service with the Company of each employee by department. Copies of such lists will be given to the Union and will be brought up to date every two (2) months. In the event that there have been an unusually high number of employee assignments processed by the Plant Human Resources Department, the Union may request updated copies on two additional occasions during the calendar year.
 - (b) The Company shall furnish to the Union lists of employees laid off and lists of employees recalled under this section.
 - (c) The Company shall furnish to the Chief Steward of each department a copy of the list referred to in Clause 7.05 (a). These lists shall be updated every two (2) months.

7.06 In all cases of promotion (except promotion to positions excluded from the bargaining unit or positions requiring technical or other special training or special educational qualifications) and in all cases of decrease or increase of working force, the following factors shall be

considered by the Company:

- (a) Service.
- (b) Knowledge, efficiency, and ability to perform the work.
- (c) Physical fitness.

When factors (b) and (c) are relatively equal, factor (a) shall govern.

- 7.07**
- (a) When a permanent vacancy occurs on a job, immediate notice thereof shall be posted on the bulletin board of the departments throughout the Division for a period of five (5) days prior to the making of any permanent appointment to the job. Copies of posted job vacancies shall be supplied to the Chief Steward of the Departments throughout the Division.
 - (b) The employee with the greatest service who is in the department in which the vacancy exists and qualifying according to Clause 7.06, shall be entitled to the appointment. If there is no successful applicant from that department, the senior applicant from the Division qualifying in accordance with Clause 7.06 shall be entitled to the appointment. The name of the employee so appointed shall be posted on the bulletin boards of the departments throughout the Division not later than five (5) days after the expiry of the posting as referred to in Clause 7.07(a) above. A copy of such posting shall be supplied to the Chief Stewards throughout the Division.
 - (c) Nothing herein shall preclude the Company from making a temporary appointment, not to exceed thirty (30) days, to any job.
 - (d) For the purposes of (b) above, the following shall apply:
 - (i) Vacancies must be applied for within five (5) consecutive calendar days unless an employee could not apply because of absence from work during the entire five (5) consecutive calendar day posting because of:
 1. Vacation
 2. Sickness or accident
 3. Leave of absence.
 - (ii) If an employee is absent for any of the reasons stated above, he/she will have the right to apply for a job posted during his/her absence provided that he/she returns to the department within a period of thirty (30) days following the appointment to the job vacancy, or within seven (7) days after his/her return to the department, whichever is the shorter period.
 - (e) In the event that no qualified employee applies for a posted vacancy, the Company may appoint the junior qualified employee in the line of sequence. An employee so

appointed will be returned to his/her former job in the event that another employee subsequently applies for and is appointed such vacancy out of the provisions of Clauses 7.07 and 7.11.

- 7.08** When a job vacancy is expected to result within thirty (30) days because of the establishment of a new occupational classification or an employee's termination of employment, transfer to another department or out of the bargaining unit, an opportunity to train for such vacancy will be posted and filled in the same manner as a permanent job vacancy provided a qualified employee is not available.
- 7.09** If the Company trains an employee for other than a permanent job vacancy nothing herein shall preclude his/her right to return to his/her former job upon completion of his/her training period.
- 7.10** Subject to the provisions of Clause 7.06, a temporary vacancy in a higher pay level caused by an employee's absence will be filled by assigning the senior qualified employee on the shift on which the vacancy occurs except as hereinafter provided:
- (a) In the event that the Company is unable, due to the operational requirements, to assign the senior qualified employee to such temporary vacancy he/she will be paid at the rate of the job on which the vacancy occurred for hours worked on the shift in question.
 - (b) Should an employee not wish to be assigned to temporary vacancies under this provision, he/she must sign a waiver form provided by the Company. Such waiver shall not be effective until the employee's next scheduled work day. Such a waiver may not be revoked by the employee until it has been in effect for at least thirty days and such revocation shall not be effective until a period of thirty days has elapsed from the date of filing such revocation with the employee's supervisor. Such revocation will be in writing on a form provided by the Company.
 - (c) An employee shall not be entitled to be considered for a temporary vacancy unless such vacancy carries a higher pay level than the job on which the employee is working at the time the vacancy occurs.
 - (d) No employee, other than the one senior qualified employee, shall accrue entitlement to payment under (a) above when such provision is applicable.
 - (e) The provisions of this Clause 7.10 shall only apply if:
 - (i) the temporary vacancy caused by the absence of an employee from work is for a full shift, except when the Shift Manager becomes aware in advance of either the start of the shift or during the shift that the employee will be absent from work for more than two hours, and
 - (ii) the employee whose absence causes the temporary vacancy to occur notifies

the department of his/her absence prior to the commencement of the shift. In the event that such notification is not received prior to the commencement of the shift, the Company still will endeavour to fill the vacancy with the senior qualified employee on the shift but the provisions of this clause shall not apply.

- 7.11** (a) When it can be determined that a temporary vacancy, caused by an employee being on leave of absence for sickness, injury or other reasons, will exist for longer than thirty (30) days, notice of such vacancy will be posted in the department in which the vacancy occurs for a period of five (5) days prior to the making of any temporary appointment to the job. Copies of posted job vacancies shall be supplied to the Chief Steward of the department. The vacancy will be filled for its term in accordance with Clause 7.06 except as hereinafter provided. The name of the employee so appointed shall be posted on the bulletin board of the department.
- (b) An employee appointed to a temporary vacancy in accordance with the provisions of this Clause shall, if displaced from such job as a result of the application of Clause 7.13, return to the job he/she previously held prior to his/her appointment to the temporary vacancy. In the event that the level of operations is subsequently increased and the temporary vacancy to which the employee was originally appointed or was filling as a result of the application of (c) below, is again required to be filled, such employee shall be returned to the temporary vacancy for the remainder of its duration.
- (c) When two or more employees are filling temporary vacancies under the provisions of this clause on the same job and one of the temporary vacancies ceases to exist, the employee senior in service will first be entitled to remain on the existing vacancy or return to the job he/she previously held. In the event that such senior employee remains on the vacancy, the employee junior in service will be returned to the job he/she previously held.
- (d) In the event that an employee is unable to apply for a posted temporary vacancy for the reasons specified in Clause 7.07 (d) (i), he/she will be entitled to apply for such temporary vacancy within the time periods specified in Clause 7.07 (d) (ii) upon his/her return to work provided that the Company anticipates that the temporary vacancy will continue to be required to be filled for a further period of thirty (30) days from the date of the employee's application.
- 7.12** A temporary vacancy caused by the absence of an employee for any of the following reasons or any combination thereof, will be filled under the provisions of Clause 7.10 and the provisions of Clause 7.11 shall not apply, regardless of the duration of such vacancy.
- (a) The assignment of an employee under the provisions of Clause 7.10.
- (b) The assignment of an employee for training on more than one job, or for training on one job for thirty (30) days or less.

(c) Scheduled vacation.

7.13 In the event of a reduction in operations or decrease in working force in one or more of the departments of the Company because of changes of methods of operation or, technological changes or because of depressed business conditions or other operational conditions which is expected to continue for more than thirty (30) days, the parties hereto shall review the status of the employees to be affected with a view to finding an acceptable solution for any problem which may arise. Such review will consider the necessary reduction in working force in the order shown so that the senior employees may be retained in accordance with the following:

- (a) (i) An employee displaced from a job within his/her department may exercise his/her right, subject to Clause 7.06, to claim the job of the most junior employee in the job of his/her choice within his/her department, and
 - (ii) An employee displaced from a job within his/her department who cannot exercise his/her right, subject to Clause 7.06, to remain within his/her department, will be assigned by the Company to the job held by a more junior service employee, subject to Clause 7.06, on a job in any of the other departments within the Division and any employee subsequently displaced will be assigned by the Company to the job held by a more junior service employee subject to Clause 7.06 within the Division , and
 - (iii) The junior service employee thus displaced out of the Division will be assigned by the Company, to the job held by an employee subject to Clause 7.06 in any of the other Divisions, and
 - (iv) The employee thus displaced will be laid off work from the Company.
- (b) Prior to any such reduction in operations or decrease in working force, the parties shall meet and review the circumstances with a view to accomplishing the necessary reduction of the work force such that senior employees, subject to Clause 7.06, may be retained in their Division and/or the plant.
- (c) For the purposes of this Section, the plant will be divided into the following Divisions:
- Primary Operations
 - Rolling and Finishing
 - Maintenance Services
- (d) An assignment to a job hereunder shall not prejudice the right of any such employee to be recalled to nor the right of the Company so to recall him/her to the department in which he/she was employed prior to such assignment.
- (e) Executive Officers, Health and Safety Area Co-chairpersons, Chief Stewards, Assistant Chief Stewards, and Committee members of Local 1005 who are employees

of the Company will be given preferential service during a layoff for the purpose of carrying on their Union duties provided any such Officers, Health and Safety Area Co-chairpersons, Assistant Chief Stewards and Committee members can perform the jobs available during such layoff and provided further that the total number of Union Officers, Health and Safety Area Co-chairpersons, Chief Stewards, Assistant Chief Stewards and Committee members granted such service will not exceed 100. A list of Executive Officers, Health and Safety Area Co-chairpersons, Chief Stewards, Assistant Chief Stewards and Committee members will be furnished to the Company.

With respect to Committee members, only those members who are appointed in accordance with other specific provisions of the Basic Agreement to represent the Union in dealings with the Company are eligible for such preferential service.

- (f) It is understood that there may be some delay in making arrangements for the transfer to other jobs in the same or other departments of employees displaced from their jobs by reason of a layoff or decrease in working force, but the provisions of this section will be implemented as soon as reasonably possible.
- (g) In cases of increases or decreases in operational levels or in the case of other operational conditions for periods anticipated to be of thirty (30) days or less, the Company shall exercise the right, subject to Clause 7.06, to temporarily assign an employee to any available work required to be performed within any of the Divisions and the provisions (a) (i), (ii) and (iii) above shall not apply. Prior to any such assignment, the Department Manager (s), or his/her delegate(s), will meet with the Chief Steward(s), or his/her delegate(s), of the department(s) involved to discuss such assignment. Such employee assigned to another department will not be eligible for any vacancies which arise under Clauses 7.07, 7.10, or 7.11 in the department to which he/she is assigned. Such employee will be entitled upon return to his/her department to apply for a posted permanent or a posted temporary vacancy in accordance with Clauses 7.07 (d) (ii) or 7.11 (d). Such employee will be paid in accordance with the provisions of Clause 6.09.
- (h) When a job within a department is required to be filled due to an increase in the level of operations, increase in working force or when a permanent vacancy occurs on such job, the provisions of Clause 7.07 shall not apply if an employee has been displaced from such job, in which event, such job may be claimed by the most senior displaced employee subject to Clause 7.06. In the event such employee does not claim the job, the next senior displaced employee subject to Clause 7.06 shall be eligible to claim it. Displacement rights are applicable only to active jobs. This procedure shall continue until a qualified displaced employee claims the job. A displaced employee may not decline the job if it is the job to which the employee was last appointed in accordance with Clause 7.07. The job will be filled:
 - (i) from within the department and if there is no such displaced employee, then;
 - (ii) from any other department within the Division and if there is no such displaced

employee, then;

- (iii) from any other department in any other Division provided that the displaced employee has not been out of the Division in which the job is required to be filled for two (2) years or more.
- (iv) In the event that the job being filled is a designated job, the provisions of Clause 7.06 (b) shall not apply providing the employee has the basic qualifications to perform such job.
- (v) The above provisions will not apply to an employee who has been appointed to a permanent vacancy formerly occupied by other than a displaced employee and who has designated in writing within thirty (30) days of such appointment his/her intention to remain on the job when operations are increased. A copy of such written designation will be supplied to the Chief Steward.
- (vi) When it is determined by the Company that there is a need to increase the workforce in the plant, a former employee entitled to be recalled in accordance with Clause 7.03 shall, subject to Clause 7.06, be recalled.

7.14 Any employee requesting a transfer shall, if transferred, retain his/her service standing in the department from which he/she was transferred for a period of thirty (30) days after which he/she shall be deemed to have been transferred to the new department. If an employee so transferred does not do the required work satisfactorily and maintain the standard rate of production established on the job within such thirty (30) day period, or if the employee is dissatisfied with the job he/she has been transferred to within such thirty (30) day period, he/she shall be returned to his/her former department if it is operating and to his/her old job if and when it is operating. An assignment to a job under Clause 7.13 shall not be deemed to be a transfer for the purposes of this Clause.

If an employee is transferred to another department to fill a skilled trades and services occupation, the thirty (30) day period referred to above shall be amended to read ninety (90) days in which event, the provisions of Clause 7.11 shall not apply during such ninety (90) day period.

- 7.15**
- (a) Any employee transferred from one department to another by the Company shall carry with him/her the departmental service record which he/she has acquired in the department from which he/she was transferred and shall carry his/her service to such other department.
 - (b) Before the transfer of a job from one department to another, the Company shall discuss the matter with the Union and attempt to reach agreement concerning the transfer. Where no such agreement is reached, the Company may transfer the job as proposed, except that during the period of this Agreement, any employee in the department from which the job was transferred, shall retain the right to claim such job, subject to Clause 7.06, in the event of a decrease in working force in his/her

department. Where an employee exercises such a right to claim a job transferred to another department, he/she shall be considered to have been assigned to such other department in accordance with the provisions of Clause 7.13.

- 7.16** All transfers shall be arranged through the Plant Human Resources Department. Copies of transfer requests shall be provided to the Union within five (5) days of receipt of the transfer requests by the Company.
- 7.17** Effective October 15, 2011 an employee who is working on a non-bargaining unit position and is transferred or returned to a bargaining unit job, shall be given a new Plant Service Date for the purposes of the application of Section 7 only.
- 7.18** For the purpose of this Section, the term "layoff" or "decrease in working force" shall not include:
- (a) Interruptions of work due to major breakdowns or scheduled major repairs of less than fourteen (14) consecutive days duration. When the circumstances indicate that the period of the breakdown or repair will exceed fourteen (14) consecutive days, the provisions of this Section will be implemented as soon as possible.
 - (b) Interruption of work in the form of a reduced work week of not less than four (4) days a week for a maximum of four (4) weeks during any three (3) month period unless extended by mutual agreement. The Company will discuss with the Union in advance any intention to apply this provision. Any days lost by employees hereunder during any three (3) month period shall reduce the number of days lost under (a) during the same period.
- 7.19** The Company will not contract work out that will result in the discharge or layoff of employees. The parties hereto shall review the status of employees who may be so affected by such contracting out, with a view to finding an acceptable solution.

SECTION 8 TRAINING

8.01 Production and Service Occupations

In addition to normal training, other training opportunities will be made available as follows:

- (a) An employee who desires to train for another job in his/her department may apply in writing to his/her Department Manager for the necessary training. If such job is in a line of sequence, he/she will be considered for training on the base job for that line of sequence.
- (b) If the employee possesses the required basic qualifications, he/she will be given training, in order of service, at such time as the Department Manager determines there

is a need for additional trained employees. The employee and the Chief Steward will be told when he/she might expect the training to commence to the extent that this is foreseeable. It is understood that the employee must make satisfactory progress in order to continue his/her training. If he/she is successful in completing such training within a reasonable period of time his/her qualifications will be posted and he/she will return to his/her previous job pending a permanent vacancy.

- 8.02** The Company shall designate a base job in each line of sequence on which the training of an employee applying under Clause 8.01 shall be undertaken. The Company shall discuss such designations with the Chief Steward of the department concerned. It is understood that such job may not necessarily be the lowest job in the line of sequence.
- 8.03** Employees who are training under Clause 8.01 shall be paid in accordance with the provisions of Clause 6.04.
- 8.04** An employee shall not be trained for more than one job under the provisions of Clause 8.01 except when:
- (a) One year has elapsed from the date his/her qualifications were posted and he/she has not been successful in obtaining a permanent vacancy on the job for which he/she was trained. In such case he/she may apply, in writing, for any necessary retraining or he/she may apply for training on a different job in accordance with the provisions of Clause 8.01.
 - (b) One year has elapsed from the date he/she was permanently assigned to the job for which he/she was trained.

Nothing herein shall preclude an employee from applying for training under Clause 7.09.

- 8.05** None of the above provisions shall preclude the Company from continuing its current practices with respect to training and filling of temporary vacancies.

SECTION 9 ADJUSTMENT OF DISPUTES

Union Representation

- 9.01** The Union shall be entitled, in accordance with a letter from the Company dated the signing date of this agreement to select Stewards for the various departments, some of whom may be designated Chief Stewards and Assistant Chief Stewards.
- 9.02** The Union shall be entitled to select a Grievance Committee of up to six (6) members one of whom shall be the Chairperson.

- 9.03** Employees so selected to represent the Union shall at the time of their appointment have at least one (1) year of service. The Union shall advise the Company in writing of all employees so selected.
- 9.04** The duties of the Stewards, the Chairperson and members of the Grievance Committee shall be to assist in adjusting disputes in accordance with the terms of this agreement. The duties of the Stewards shall be limited to the adjustment of disputes in the department for which they are appointed, while such disputes are being processed through Step Nos. 1 and 2. Time so spent attending scheduled Step 1 or 2 meetings with the Company will be paid for at their regular or premium rate as may apply.
- 9.05** (a) The Grievance Committee shall be afforded such time off without pay (except as hereinafter provided) as may be required for attendance at regularly scheduled Committee meetings and attendance at meetings pertaining to discharge or other matters which cannot reasonably be delayed until the time of the next regular meeting. Each member of the Grievance Committee or Steward(s) authorized by the Chairperson of the Grievance Committee will be paid at his/her average hourly rate during the preceding pay period, for preparation time of two (2) hours, for attendance at meetings held for the processing of grievances at Step No. 3, and for one (1) hour after the meeting at regular or premium rates as may apply up to but not exceeding a total of one hundred (100) hours in any calendar month for the whole Committee and the hours may be cumulative during the term of this agreement. Time so spent shall be deemed to be time worked for all provisions of the Basic Agreement, Supplementary Unemployment Benefit Plan (SUB Plan), Group Insurance, and Pension Agreement and paid for at the employee's regular rate of pay.
- (b) A member of the Grievance Committee who has requested and been granted permission to leave work for the purposes of attending a Third Step Grievance meeting, will be allowed to leave his/her job up to one hour prior to the time of the meeting for the purposes of preparing for such meeting. Upon the conclusion of such meeting, he/she will return to his/her department. Such employee will be reimbursed for any time lost from work as a result of preparing for, attending the Third Step meeting and a reasonable period of time while returning to his/her job. It is understood that only members of the Grievance Committee or Stewards authorized by the Chairperson of the Grievance Committee who lose time from work for the above conditions will be entitled to payment.
- 9.06** A representative of the Union shall obtain the permission of his/her Shift Manager before leaving his/her work to deal with a grievance. Such permission shall not be unreasonably withheld.

Grievance Procedure

- 9.07 Step No. 1** - Any employee who believes that he/she has a justifiable grievance or dispute may discuss and attempt to settle it with his/her Shift Manager, with or without a

departmental Chief Steward or Steward being present, as the employee may elect. The Shift Manager will make known his/her decision to the employee within four (4) calendar days. The settlement of grievances at Step No. 1 shall not constitute a precedent nor be used as a precedent in future cases by either the Company or the Union and shall be without prejudice to the position of either party. Grievances not adjusted in this way may be appealed to Step No. 2.

- 9.08 Step No. 2** - Notice of appeal must be given to the Shift Manager by the Chief Steward or his/her Steward delegate of the department in which the dispute arose. Such notice shall consist of a written statement of the grievance in quadruplicate, containing particulars of the incident giving rise to the grievance and shall be signed by the aggrieved employee and dated as of the date of its submission. The Department Manager or his/her delegate shall meet with the Chief Steward or his/her Steward delegate within seven (7) calendar days, to investigate the grievance and attempt to settle it. A written decision shall be given by the Department Manager or his/her delegate within five (5) calendar days after the date of such meeting. Grievances not adjusted in Step No. 2 may be appealed to Step No. 3.
- 9.09 Step No. 3** - Notice of appeal must be given in writing within nine (9) calendar days from the date of the written decision of the Department Manager to the Employee Relations Representative of each respective Division. The Division Manager or his/her delegate and the Employee Relations Representative shall meet with the Grievance Committee, or their delegates, which may be accompanied by an International Officer or representative of the Union within twenty- one (21) calendar days, to investigate the grievance and attempt to settle it. A written decision shall be given by the Employee Relations Representative within fourteen (14) calendar days after the date of such meeting.
- 9.10** A grievance once processed at any step of the Grievance Procedure will not be again considered except by way of appeal taken within the times therein provided.
- 9.11** No employee other than a probationary employee shall be discharged without first being given seven (7) days' notice except in cases of serious misconduct, when discharge shall be effective immediately. An employee who is being notified of his/her discharge may elect to have a departmental Chief Steward or Steward present. In the event that a departmental Chief Steward or Steward is not present at the time the employee is notified of his/her discharge, the Company will notify the Chief Steward of all immediate discharges or notice of discharge given to employees in his/her department, excepting probationary employees, within forty-eight (48) hours after such discharge or notice of discharge has been effected. Grievances relating to notice of discharge or discharge may be initiated at Step No. 2 of the Grievance Procedure and may be appealed directly to Step No. 3.
- 9.12** Except as otherwise provided, grievances must be presented in writing within fourteen (14) calendar days from the date of the incident giving rise to the grievance. A former employee who is entitled to recall under Clause 7.03 shall be eligible to file a grievance concerning such recall. Grievances which are not presented within the specified time limits may not

be processed through the Grievance Procedure without the consent of the Company and in any event are not arbitrable.

- 9.13** (a) In the event that more than one employee is directly affected by one specific incident and each such employee would be entitled to process a grievance, the Chief Steward may sign the statement of the grievance on behalf of the aggrieved employees and shall identify the grievances as a “Group Grievance”. Where retroactive wages are claimed, the names of such employees shall be attached to the grievance. For the purpose of this provision only, the time limits of Clause 9.12 shall be thirty (30) days.
- (b) If the Company is alleged to have violated any provisions of this agreement and such violation affects the interests of the Union as a party to the Agreement, the Union may file a grievance, beginning at Step No. 2, which shall be signed on behalf of the Union by the Chairperson of the Grievance Committee and shall be identified as a “Union Policy Grievance”. The time limits of Clause 9.12 shall not apply, except that if retroactive wages are claimed, the time limits of Clause 9.12 shall be thirty (30) days.
- (c) Grievances that concern Job Evaluation may be initiated by the Union and shall be resolved in accordance with the provisions of this Section beginning at Step No. 3.
- 9.14** The Grievance and Arbitration Procedure may be invoked by the Company. Such grievances may be initiated by the Company at Step No. 3 of the Grievance Procedure by filing with the Chairperson of the Grievance Committee. For such purpose, the provisions of this Section 9 will be read and construed with necessary changes.

Quarterly Arbitration

Notwithstanding the provisions of Clauses 9.16 to 9.21 (below) which remain in full effect, the parties agree to the following Alternative Dispute Resolution process (Quarterly Arbitration) for grievances not adjusted in Step 3 and which have been advanced in accordance with the provisions of Clause 9.16.

- 9.15** The parties have agreed to institute a system of quarterly arbitration as follows:
- (a) There shall be a panel of arbitrators consisting of the following:
- i. George Surdykowski
 - ii. Dan Randazzo
 - iii. Sheri Price
 - iv. John Stout

- (b) The parties agree to appoint one of the above each quarter, on a rotating basis, to meet with them on a date agreeable to all parties, to hear a particular number of grievances.
- (c) Sixty days in advance of the quarterly arbitration date, the parties will mutually select which grievances will be heard that quarter. There will be a maximum of ten grievances heard each quarter. If the parties cannot agree on ten grievances, each party will be able to make a unilateral submission of up to five (5) grievances.
- (d) Thirty days in advance of the quarterly arbitration date the parties will exchange hearing briefs for each arbitration which will include the following:
 - i. A statement of the issue or issues in dispute;
 - ii. A reference to any relevant collective agreement provision(s);
 - iii. Those facts which the party believes are not in dispute;
 - iv. Any relevant documents;
 - v. Submissions;
 - vi. Any relevant arbitration awards;
 - vii. The remedy requested.

Timely exchange of briefs is important to maintaining the integrity of the system. In the absence of a brief, the arbitrator, in his/her discretion, may allow the grievance, dismiss the grievance, or adjourn the matter with or without terms.

- (e) The arbitrator shall have jurisdiction to determine that a grievance be transferred to the regular arbitration process.
- (f) Each party may make oral submissions of no more than thirty minutes' duration.
- (g) The arbitrator will issue a "bottom line" decision that shall not have precedential value.
- (h) The provisions of this Section 9, including the cost provisions, shall apply, with necessary modifications, to this Section 9.15.

Arbitration

9.16 Grievances not adjusted in Step No. 3, relating to the interpretation, application, administration, or alleged violation of this agreement, including any question as to whether a matter is arbitrable, may be referred to a Board of Arbitration hereinafter called the Board, by notice in writing addressed to the Manager - Employee Relations, Hamilton Works

within thirty (30) calendar days from the date of his/her written decision. Such notice shall specify the agreement clauses involved.

- 9.17** Within ten (10) days from the date on which the grievance is referred to arbitration, the Union shall notify the Company in writing of the appointment of a representative to the Board and the Company shall, within five (5) days thereafter, notify the Union in writing of the appointment of a representative. No person shall be appointed as a representative who has participated in prior efforts to settle the grievance to be arbitrated.
- 9.18** The two appointees so selected shall, within five (5) days of the appointment of the second of them, appoint a third person who shall be the Chairperson.
- 9.19** Where the representative of the Union has been appointed in accordance with Clause 9.17 and the Company fails to appoint a representative as therein provided, or where the two representatives fail to agree upon a Chairperson within the time specified, the appointment shall be made by the Minister of Labour for Ontario upon the request of either party.
- 9.20** The Board shall not have any authority to alter or change any of the provisions of this agreement, or to substitute any new provisions in lieu thereof, or to give any decision contrary to the terms and provisions of this agreement, or to deal with wages except as provided in this agreement, but, save as aforesaid, the decision of the Board or of a majority of the arbitrators shall be final and binding upon the parties hereto and upon any employee or employees concerned.

The Board may nevertheless decide whether or not retroactive wages are payable because an employee has been deprived of wages as a result of a violation of the agreement by the Company and, where such violation involves disciplinary action resulting in loss of wages, whether the disciplinary action should be modified if in the opinion of the Board the extent of the discipline is unreasonable in relation to the offence. Except as otherwise provided in this agreement, the Board may not award such retroactive pay for a period in excess of sixty (60) days immediately preceding the date of the written statement of the grievance provided at Step No. 2 of the Grievance Procedure.

- 9.21** The Union and the Company shall each pay one-half of the remuneration and expenses of the Chairperson of the Board and save as aforesaid shall each bear its own expenses of any such arbitration.
- 9.22** Periodically, but in any event, not more often than each calendar quarter year, unless some other time is agreed to, the parties will meet for the purposes of attempting to resolve a list of outstanding arbitration cases mutually agreed to in advance of such meeting. Attendance at such meeting by the appropriate members of the Grievance Committee will be paid for under the provisions of Clause 9.05.

**SECTION 10
STRIKES AND LOCKOUTS**

- 10.01** There shall be no lockout by the Company and no interruption, work stoppage, strike, sitdown, slowdown, or any other interference with production by any employee or employees during the term of this agreement.
- 10.02** Any employee who participates in any interruption, work stoppage, strike, sitdown, slowdown, or any other interference with production may be disciplined or discharged by the Company.

**SECTION 11
VACATIONS**

- 11.01** (a) An employee shall be entitled to an annual vacation with pay in accordance with the following schedule, on the basis of his/her service at July 1st in each year:
- One (1) year of service but less than Five (5) years - Two (2) weeks.
- Five (5) years of service but less than Nine (9) years - Three (3) weeks.
- Nine (9) years of service but less than Fifteen (15) years - Four (4) weeks.
- Fifteen (15) years of service but less than Twenty-two (22) years - Five (5) weeks.
- Twenty-two (22) years of service but less than Thirty (30) years - Six (6) weeks.
- Thirty (30) years of service or more - Seven (7) weeks.
- (b) An employee with 30 or more years of service shall be entitled to fifteen (15) weeks of extended vacation with pay in addition to his/her regular vacation entitlement under Clause 11.01(a) immediately prior to his/her retirement date, less any vacation entitlement taken under this provision.
- (c) An employee who has not completed one (1) year of service as of July 1, will be entitled upon completion of his/her probationary period to one (1) day of vacation for each month of completed service as of July 1, to a maximum of five (5) days of vacation.
Payment for such vacation shall be in accordance with Clause 11.05. The time at which such vacation shall be taken shall be prescribed by the Company.
- (d) An employee may at the time vacations are being booked, elect to notify the Company of his/her intention to work up to three (3) weeks of vacation, for weeks in excess of two (2) weeks of vacation in any calendar year. An employee shall receive an additional payment equal to 25% of the appropriate amount as calculated under Clause

11.03 for each week of vacation that an employee elects to work. Such monies shall be paid in the pay period at the end of the first calendar quarter. An employee shall be responsible for completing the appropriate form indicating his/her intention to work his/her vacation.

11.02 For the purpose of this Section, "vacation year" shall mean the year ending June 30th.

11.03 (a) Except as provided in (b) hereof vacation pay for each week of vacation shall be established by multiplying the employee's average hourly earnings during the calendar quarter year immediately preceding the vacation by forty (40).

(b) Vacation pay for each week of vacation shall be 2% of the employee's earnings during the vacation year, if the employee:

(i) has been on leave of absence for reasons other than disability or Union business directly related to the bargaining unit, for more than a combined total of 350 hours during the vacation year, or

(ii) has worked less than 520 hours during the vacation year for any reason, except that if an employee is required to take a vacation during the months of January and February, hours not worked between the previous July 1st and December 31st by reason of:

1. absence on a scheduled vacation, or

2. the celebration of a statutory holiday for which the employee was paid an allowance under Clauses 12.01 or Clause 12.02, shall be deemed to be hours worked for the purposes of this provision.

Hours not worked during the vacation year while on Union business directly related to the bargaining unit shall also be deemed to be hours worked for the purpose of this provision.

(c) An employee shall receive his/her vacation pay for a week of vacation prior to the vacation being taken, if requested at the time of booking the vacation.

11.04 (a) An employee shall receive an additional payment equal to a percentage of the appropriate amount, as provided below, calculated under Clause 11.03 in respect to the length of vacation he/she is entitled to under Clause 11.01 (a), whichever is applicable, depending upon the month when each such week of his/her vacation entitlement is taken:

(i) During the months of January, February, March, April, September, October and November - 30%

- (ii) During the months of May, June, July, August, - and December - 20%.
 - (b) The appropriate payment as provided above for each such week of vacation entitlement will be determined on the basis of the month in which the first scheduled day of such week of vacation is taken.
 - (c) Such additional payment shall not apply to vacation pay for extended vacations provided in Clause 11.01 (b).
 - (d) An employee may elect to schedule two weeks of his/her annual vacation entitlement in single days.
- 11.05** An employee with three (3) months service but less than one (1) year at July 1st shall be paid as vacation pay 4% of his/her earnings from the date of his/her employment to July 1st.
- 11.06** An employee whose employment is terminated shall be paid vacation pay in the amount of 2% of his/her earnings since the preceding July 1st in respect of each week of vacation to which he/she was entitled on such July 1st plus any payment to which he/she is entitled under Clause 11.04.
- 11.07** (a) The time at which the vacation of any employee shall be taken shall be prescribed by the Company. When a department is completely shut down all employees qualifying for vacations with pay normally will be required to take their vacations during the shutdown period. In cases where the length of the vacation is greater or less than the shutdown period, Management will endeavour to make satisfactory arrangements.
- (b) The Company shall complete the scheduling of vacations by February 28th of the calendar year in which the vacations are to be taken or such other date mutually agreed to between the Department Manager and Chief Steward of the department. Subject to operational requirements, the Company shall honour such vacation schedules. In the event that changes to such vacation schedules or to existing vacation scheduling practices are required, such changes will be discussed by the Department Manager and Chief Steward of the department prior to effecting such changes. Such schedules shall be posted on department bulletin boards and be provided as requested to the department Chief Steward.
- 11.08** (a) An employee may be scheduled for a week of vacation, commencing on any day of the last calendar week of December, even though such week of vacation may not terminate until after December 31st and providing that such week of vacation commences prior to January 1st.
- (b) Any employee scheduled for vacation in accordance with the above, will be considered as having been properly scheduled and paid for such week of vacation on the basis that the week of vacation will be considered for all purposes to be a week of vacation entitlement in the calendar year in which it commenced. In addition, hours not worked while on such week of vacation shall be deemed to be hours worked for

the purpose of Clause 11.03 (b) (ii).

- 11.09** (a) An employee entitled to an annual vacation of at least four (4) weeks shall be entitled to postpone up to two (2) weeks of vacation each year. Such accumulated vacation shall not exceed a total of fifteen (15) weeks and shall be taken immediately prior to the retirement date.
- (b) Any weeks of vacation postponed in accordance with Clause 11.09 (a) above shall be paid in accordance with the payment provisions of this Section at the rates applicable at the time of the employee retirement. In the event of an employee death prior to retirement, monies in respect of postponed vacations shall be paid to the estate of the deceased employee.

SECTION 12 STATUTORY HOLIDAYS

- 12.01** All employees covered by the Basic Agreement will receive a day's pay (computed under the provisions of Clause 12.03) for Christmas Day.
- 12.02** An employee having at least thirty (30) days of service will receive a day's pay (computed under the provisions of Clause 12.03) for New Year's Day, Heritage Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day and Boxing Day provided that such employee has worked one day in the month in which the Statutory Holiday is observed. Days of scheduled vacation shall be considered scheduled turns.
- A former employee who has been terminated in accordance with Clause 7.02 (c) shall be entitled to a day's pay for any of the above Statutory Holidays occurring in the calendar month in which such termination occurs.
- 12.03** The special allowance shall be computed by multiplying the number of hours normally scheduled for a turn for the employee by the average hourly rate earned by him/her in the preceding pay period.
- 12.04** An employee who is scheduled to work on a Statutory Holiday and works the hours for which he/she is scheduled on any such day, shall be paid for time worked on such a day at one and one-half times his/her regular rate of pay.
- 12.05** The hours of the Statutory Holiday shall be the 24-hour period following the commencement of the day turn on the holiday unless some other 24-hour period is mutually agreed upon.

SECTION 13 HEALTH AND SAFETY AND TRAINING

**Health, Safety & Environment –
General Administration**

- 13.01** (a) The Company and the Union agree to maintain and shall work to improve the standards of Health, Safety and Environment required to prevent occupational illness and occupational injury in the plant. In this regard, the parties agree that their respective representatives shall act in a co-operative and responsible manner so as to further improve Health, Safety and Environment in the plant.
- (b) The Company and the Union agree to comply with the requirements of all Federal and Ontario Provincial Legislation that deals with Health, Safety, and/or Environment, including the Occupational Health and Safety Act, 1990 (OHSA), and the appropriate regulations and any amendments thereunder.
- (c) The Company and the Union agree that no employee or member of the Joint Health and Safety Committee (JHSC) will be threatened, disciplined, suspended or coerced in the event that the employee or member of the JHSC has acted in compliance with such legislation and the appropriate regulations and any amendments thereunder.
- (d) The Company and Union agree that the Union Health & Safety Area Co-Chairpersons shall confine their duties, responsibilities, and activities to the Department to which they have been appointed in accordance with Clause 13.02 unless otherwise agreed to by the Business Area Co-Chairpersons.
- (e) The number of the Union Joint Health and Safety Committee structure shall not exceed a total which is represented by the ratio of one Health and Safety Representative for every ten employees. The Company and the Union agree to review the application of this provision on an annual basis.
- (f) Members of the JHSC under Clause 13.01 (e) shall be permitted one (1) hour preparation time for any meeting jointly agreed to pertaining to activities outlined within the JHSC structure.
- (g) The Union representatives to the JHSC shall be afforded time off work to attend meetings and conduct inspections, as provided herein. Time so spent shall be deemed to be work time for which they shall be paid at their regular or premium rate as may apply.
- (h) Joint minutes shall be maintained and distributed to all of those in attendance at any JHSC meeting. Designates from the Company and the Union shall distribute the minutes within five (5) working days.
- (i) Written recommendations from any JHSC member shall be responded to within a period of twenty-one (21) days. The response shall contain a timetable for implementing the recommendation that the Company agrees with, and reasons that the Company disagrees with any recommendation that the Company does not accept.

The response shall be given to the appropriate Union Health and Safety Area Co-Chairperson and/or the JHSC member who made the recommendation.

- (j) The JHSC recognize that various government inspectors or agencies have the right to attend the work site for the purpose of executing their duties. Where such a visit results from a concern raised by a member of the JHSC or in the event of a workplace inspection by a Ministry of Labour Inspector, a Health and Safety Representative shall be made available in the following order:
 - (i) Union Health and Safety Area Co-Chairperson.
 - (ii) Union Plant Health and Safety Co- Chairperson.
 - (iii) Union Health and Safety Area Representative from the area involved.

Where such visit results from a Hamilton Works environmental concern raised by a member of the JHSC, or in the event of a workplace inspection by a Ministry of Environment Inspector, a Company and Union representative from the Senior JHSC Environmental Sub-Committee as set out under Clause 13.03 (a) shall be made available. In addition, the Union Health and Safety Area Co-Chairperson from the area to be inspected will also participate in the inspection.

- (k) The Company and the Union will recognize April 28 as "The Day of Mourning".

Departmental Joint Health and Safety Structure

- 13.02** (a) The Company and Union recognize each Area Joint Health and Safety structure as being comprised of the Department Manager and other Managers and Union Health and Safety Area Co-Chairperson and Union Health and Safety Area Representatives. The Company and Union agree that the JHSC structure will include the Employer and Union Certified Members as outlined under Section 9 (12) of the OHSA.

Two of the members of each committee shall co-chair the committee as selected by the Company for the Management Co-Chairperson and the Union for the Union Co-Chairperson.

The names and work locations of the committee members shall be kept posted in a conspicuous place or places in the workplace where they are most likely to come to the attention of the workers.

- (b) Area Joint Health & Safety Structure:

Union Health and Safety
Area Co-Chairperson

Primary Operations	1
Cold Roll	1
Coated Products	1
Plant Services	1
Utilities	1
Mechanical Plant & Shops	1
Electrical Plant & Shops:	1

It is agreed that an adequate number of Union Health and Safety Representatives from each of the disciplines of Electrical, Mechanical, and Utilities shall be appointed within each area of the structure above. Furthermore, it is agreed that the Utilities Health and Safety Area Co-Chairperson, Electrical Plant and Shops Health and Safety Area Co-Chairperson and the Mechanical Plant and Shops Health and Safety Area Co-Chairperson shall be afforded the opportunity to attend meetings in order to address Health and Safety issues which affect either Utilities, Electrical or Mechanical employees throughout the Plant.

The number of Union representatives in the JHSC shall not exceed the total set out under Clause 13.01 (e). Nothing herein shall preclude the parties from agreeing to appropriate modifications to the number of representatives required in accordance with changes in the Division or Departmental organization which may occur during the term of this agreement, or for the purpose of complying with Certification requirements of Committee members as outlined in Section 9 (12) of the OHSA.

- (c) The Union shall be entitled to appoint a Union Health and Safety Area Co-Chairperson for each area as shown above. The Union shall advise the Company, in writing, of the name of the employee so appointed. Such employee shall have at least one (1) year of service at the time of his/her appointment. The Union Health and Safety Area Co-Chairperson shall execute their duties on a full time basis.

The Union shall advise the Company, in writing, of any changes to the JHSC as a result of the temporary absence of any Union Representative.

In the event of the temporary absence of any Union Health and Safety Area Co-Chairperson, the Plant Union Health and Safety Co-Chairperson may designate a Union Health and Safety Representative from within the Division as an alternate.

Workplace Inspections

- (d) (i) In each Department the Union Health and Safety Area Co-Chairperson and the Department Manager shall, in advance, mutually agree upon and establish an annual inspection schedule which addresses and determines whether the Union Health and Safety Area Co-Chairperson or Union Health and Safety Area Representative(s) will conduct the inspection, the location, scope and focus of the inspection, dates, time and duration of the inspections.

- (ii) At the conclusion of the inspection a review shall be conducted by the participants and items prioritized. A written report shall be submitted to the Co-Chairpersons of the area inspected. As soon as practicable and in any event, not later than (3) weeks after the conclusion of the inspection, a meeting shall be arranged and held with Co-Chairpersons or delegates and inspection participants.

The purpose of this meeting shall be to deal with items identified on the inspection and to discuss whatever action may be necessary to resolve these items. The meeting may also include other areas of concern regarding Health and Safety or the Environment in the Area.

- (e) Any Health and Safety Area Representative may discuss or identify any matters of immediate concern with respect to Health and Safety or the Environment in the work Area provided that:
 - (i) he/she may not leave his/her work station without the permission of his/her immediate Shift Manager. Such permission shall not be unreasonably withheld.
 - (ii) Such discussion shall be held at a time and place convenient to both parties. Every effort shall be made to discuss the matter prior to the end of shift.

Accident/Incident Investigations

- (f) It is jointly agreed between the parties that the purpose of an accident/incident investigation is to obtain accurate information on the accident/incident that occurred and to determine the root cause of the accident/incident, thereby making recommendations to prevent the accident/incident from occurring again. The Union Health and Safety Area Co-Chairperson or in his/her absence, a Union Health and Safety Area Representative shall be notified and permitted to attend and participate in all department accident/incident investigations involving Hamilton Works employees.

For the purpose of this provision, accidents/incidents which shall be investigated mean the following:

- (i) All Lost Time Accident/Incidents.
- (ii) All Possible Lost Time Accidents/Incidents.
- (iii) All Minor, Near Misses and incidents where an accident/incident has occurred with demonstrated potential for serious injury.

All minutes of Area Accident/Incident Investigations shall be supplied to the Union Health and Safety Area Co-Chairperson and the Union Plant Health and Safety Co-Chairperson and participants, and the Union Worker's Compensation Committee Chairperson.

Job Safety Procedures

- (g) The Union Health and Safety Area Co-Chairperson in the Area shall be provided the opportunity to review and comment on any change to the written job safety procedure currently in effect within the department, and of any new job safety procedures, prior to the issue of such job safety procedures.

Material Safety Data Sheets (MSDS)

- (h) The Company shall supply the Union Health and Safety Area Co-Chairperson a copy of all (MSDS) used in his/her area if so requested.

Plant Health and Safety Committee

- 13.03** (a) The Company and the Union recognize the following Plant Joint Health and Safety Committee for the purposes of administering and resolving all Health and Safety and Environmental matters.

JHSC Structure

Division Manager (Plant JHSC Co-Chairperson)
Union Plant Health and Safety Co-Chairperson (Plant JHSC Co- Chairperson)
Division Managers
7 Union Health and Safety Area Co-Chairpersons

Health and Safety Manager or delegate

For the purpose of assisting the Plant JHSC administer and resolve environmental matters, the Company and Union agree to the establishment of an environmental sub-committee of the Plant JHSC comprised of two representatives from Management and two representatives from the Union, subject to approval by the respective Co-Chairpersons of the Plant JHSC. Furthermore, the Plant JHSC will establish agreed upon sub-committees and their meeting frequency.

- (b) The Plant Co-Chairpersons shall conduct a meeting once per calendar quarter on written notification by the Union Plant Health and Safety Co-Chairperson to his/her respective Management Co-Chairperson. The Co-Chairpersons shall exchange agendas at least one week in advance of the meeting.

The agenda shall include any unresolved items and any recommendations concerning the establishing, maintenance and monitoring of the programs, measures and procedures respecting the Health and Safety of employees. The meeting shall be for

the purpose of presenting an update on planned Health and Safety objectives and encouraging an exchange of information on the status of each Division, and their respective areas.

The Chairperson of the Union Workers' Compensation Committee shall be permitted to attend such meetings for the purpose of providing input into ways and means of improving accident/incident prevention in order to reduce accident/incident frequency and severity.

- (c) The Union Plant Health and Safety Committee Representatives as set out under Clause 13.02 (b) shall execute their duties on a full time basis. Time so spent shall be deemed to be work time for which they will be paid at their regular or premium rates as may apply. The duties of the Union Plant Health and Safety Area Co-Chairpersons shall be solely with respect to Hamilton Works Health, Safety or Environmental matters unless otherwise agreed to by the Division Manager or the General Manager Operations, Hamilton Works.
- (d) Meetings may be arranged between any members of the Plant Health and Safety Committee and the Hamilton Works Health and Safety Manager or delegate, at any time mutually agreeable to both parties to consider and discuss the following:
 - (i) Ways and means of improving accident/incident prevention in order to reduce accident/incident frequency and severity and other data as has been previously supplied to the Union.
 - (ii) In-plant test data relating to in-plant Air and Water Quality Control and any data relating to the environment gathered by Company personnel.
 - (iii) Any available general statistical data relating to in-plant employee health monitoring and surveillance.
 - (iv) Any concern regarding Health and Safety that any member of Senior JHSC wishes to discuss.
 - (v) Ways and means of eliminating or reducing occupational diseases.

The Union Plant Health and Safety Co-Chairperson shall be afforded the opportunity to view jointly with the Health and Safety Manager or delegate, any areas of concern.

Personal Protective Equipment

- 13.04** (a) The Company shall continue to supply all necessary safety equipment, as well as gloves, to employees where such equipment is required for the safe performance of their job. Worn out equipment must be returned whenever possible before new equipment shall be supplied.

- (b) An employee shall be entitled, at no cost, to one pair of metatarsal boots, either high cut or low cut, upon returning the worn out boots that the Company had previously supplied. The returned pair of boots shall be the property of the Company and shall be disposed of.
- (c) Nothing herein shall preclude an employee from purchasing safety boots from outside the Company at his/her own expense, without remuneration, providing such boots meet the guidelines established by the JHSC.
- (d) The Company shall provide and launder all supplied work wear, where the JHSC has determined the issue of such work wear is required.
- (e) The Company shall provide parkas where the JHSC has determined the issue of parkas are required.

13.05 The Company and the Union recognize the existence of the document entitled "Hamilton Works Code of Practice" which, although not subject to the grievance and arbitration provisions of the Basic Agreement, nonetheless has the force of Policy as established by the Plant JHSC.

13.06 All newly hired employees shall be given joint Health and Safety training, as developed in consultation with the Health and Safety Committee. The newly hired employees shall be trained and instructed on applicable safety matters relating to their job duties.

Temporary Reassignment

13.07 When an employee is temporarily reassigned to another department, or to another job classification in a different area in the same department as a result of a medical condition confirmed and in writing that his/her exposure to a toxic substance or physical agent calls for such temporary reassignment, he/she shall receive, for hours worked, his/her regular rate of pay, or the pay of the job level to which he /she is assigned, whichever is higher, for a period of ninety (90) days, following reassignment, or upon his/her return to his/her former department, whichever is shorter.

Investigative Reports

13.08 Whenever any Area Co-Chairpersons of the Health and Safety Committee jointly identify the possibility of a significant health or safety hazard with respect to a particular process, the Company shall, to the extent reasonable and practicable, furnish to the appropriate Co-Chairpersons investigative results, which are consistent with good industrial hygiene and safety practices.

SECTION 14 LEAVE OF ABSENCE

- 14.01** (a) An employee requesting a leave of absence shall apply to his/her Shift Manager and if such leave is granted it shall be authorized in writing, but shall not exceed nine (9) months, provided, however, that if an emergency arises which prevents the employee on leave from returning at the end of the leave, he/she may apply for an extension.
- (b) Notwithstanding the above, an employee with ten (10) years or more of service, at the time that vacations are being scheduled for the following year, may apply once every ten (10) years for a special leave of absence under the following conditions:
- (i) The employee's leave of absence must be taken in conjunction with the employee's remaining vacation entitlement in excess of two weeks vacation. An employee may request that the leave of absence be taken in conjunction with full vacation entitlement and,
 - (ii) The leaves of absence and vacation may only be taken during the period October 1st to June 21st and,
 - (iii) The employee must apply in writing to his/her Department Manager on the form provided by the Company for this purpose.

It is understood that the granting and scheduling of such special leave of absence will be subject to the needs of particular operations. It is also understood that nothing herein shall preclude an employee's entitlement to request a leave of absence under the provisions of Section 14.

- 14.02** (a) Upon written application to the Manager – Employee Relations Hamilton Works, the Company will grant extended leave of absence to not more than two members of the Union for the purpose of attending to the affairs of the Union. Any such leave of absence shall not exceed twelve (12) months and not more than two leaves of absence shall be applied for or granted during any calendar year regardless of the duration thereof.
- (b) The President, Grievance Committee Chairperson, and Workers Compensation, Employment Insurance Commission (EIC) and Pension Chairperson, will be granted a leave of absence for the term of their office, not exceeding three years.

14.03 Service shall be retained in all cases and for the purposes of Section 7 only, shall accumulate during such leave. Service shall accumulate for all purposes of this Agreement in the case of two employees as designated by the Union, who are granted a leave of absence to attend to the business of the local Union, for a period not to exceed six months each, in each calendar year.

14.04 With respect to the President, Grievance Committee Chairperson, and Workers Compensation, (EI), Pension Chairperson, the Company agrees that (with the sole exception of the payment of wages), time spent while on leave shall be deemed to be time worked for

all provisions of the Basic Agreement, SUB Plan, Group Insurance and Pension Agreement and paid for at the employees' regular rate of pay. Seniority shall be retained in all cases and shall accumulate during the period of the leave for all purposes under the collective agreement.

SECTION 15 JURY SERVICE AND BEREAVEMENT PAY

- 15.01** The Company shall pay to any employee who may be required to serve as a juror or as a subpoenaed crown witness in any court of law, the difference, if any, between the amount paid to him/her for his/her jury or crown witness service and the amount he/she would have received for services normally rendered to the Company during the same period of time.

Time so spent shall be deemed to be time worked for all provisions of the Basic Agreement, SUB Plan, Group Insurance and Pension Agreement and paid for at the employee's regular rate of pay.

- 15.02** An employee shall be permitted time off from work up to a maximum of four (4) days for the purpose of arranging and attending the funeral of a member of his/her immediate family, or where he/she does not attend the funeral, one (1) day or two (2) days for attendance at a memorial service. Where any of such days fall on a scheduled working day for the employee, he/she shall be paid a bereavement allowance for each day equivalent to 8 times the average hourly rate earned by him/her in the preceding pay period. Immediate family shall mean spouse, son, daughter, mother, father, sister, brother, grandmother, grandfather, grandchild, mother-in-law, father-in-law, sister-in-law or brother-in-law, or, a common law spouse and mother, father, sister, or brother of such common law spouse, provided the employee has co-habited with such spouse for three (3) or more years.

For the purpose of this clause, the terms "sister-in-law" and "brother-in-law" shall be defined as the brother or sister of the employee's spouse and the wife or husband of the employee's brother or sister.

Time so spent shall be deemed to be time worked for all provisions of the Basic Agreement, SUB Plan, Group Insurance and Pension Agreement and paid for at the employee's regular rate of pay.

SECTION 16 SKILLED TRADES AND SERVICES

- 16.01** It is recognized that the Skilled Trades and Services are an important function in the operations of Hamilton Works, therefore the Company and Union agree that a Skilled Trades and Services committee [Clause 16.04 (b)] shall have representation in matters pertaining to Section 16 of this Agreement as set out herein.

The term Skilled Trades and Services shall include the list of occupations set forth below.

Jobs may be deleted from or added to the list at any time in accordance with the provisions of Section 6 of the Basic Agreement.

- (a) Skilled Trades and Services
- Non-Destructive Testing (NDT) Technician
 - Utilities Operating Engineer
 - Mobile Technician
 - Hoisting Engineer

Industrial Electrical Maintenance: (Comprised of the former Trade or Craft Jobs below)

- Electrician (Shop)
- Electrician (Construction)
- Electronic Technician
- Instrument Mechanic (Electrical)
- Industrial Electrician

Industrial Mechanical Maintenance: (Comprised of the former Trade or Craft Jobs below)

- | | |
|--------------|----------------|
| - Carpenter | - Rigger |
| - Ironworker | - Pipefitter |
| - Machinist | - Steam Fitter |
| - Millwright | - Welder |

- (b) Any employee(s) currently employed in a skilled trade and service job shall remain in that occupation for the term of the Basic Agreement. The Company shall provide an opportunity to train and advance these employees to the top level of their occupation. Nothing herein precludes the Company from removing an employee from any such job for disciplinary or unacceptable work performance issues.

16.02 Where an employee requests opportunity for training for a Skilled Trades and Services Co-op/Apprenticeship, Hybrid Apprenticeship, or Utilities Technician opportunity, he/she shall be given preferential consideration by the Company provided that he/she has the prerequisite qualifications as established by the Skilled Trades Committee as defined in Clause 16.04 (b) and subject to the particular needs of the operation.

16.03 In addition to any jointly agreed to program, there are the following entrance programs available for admission into the Skilled Trades and Services occupations:

- (a) Cooperative Education Program for Entry into the Skilled Trades (Co-op / Apprenticeship): As an entry point into the Skilled Trades and Services, the Parties have agreed to utilize the Cooperative Education Program sponsored by The Canadian Steel Trades and Employment Congress (CSTEC) and other similar skilled trades education programs (hereinafter referred to as a “Program”) structured to provide students with academic and work term opportunities towards their successful graduation. Such programs will be monitored jointly by the Company and the Union.

The Company may offer students enrolled in a program an opportunity to be hired for full time employment. It is understood that students so hired must successfully complete their skilled trades training with applicable Certificate of Qualification as may be required.

The parties will continue to work with CSTEC and the Ministry of Training, Colleges and Universities in order to explore the need to establish Certificates of Qualifications for any skilled trades in Section 16 that do not hold such designation.

While on work-term(s), students will be paid the applicable Co-op hourly rate and will have the applicable Union dues deducted from their hourly rate.

Prior to a student being removed from the Program for misconduct while on a work-term, a meeting will be held between the representatives of the Company and the Union for the purposes of reviewing the grounds for removal.

At the point of hire the Skilled Trades Rate Schedule below shall apply for the applicable Skilled Trades discipline.

The following applies to students hired as employees in accordance with the above:

- (i) they will not be required to serve a probationary period as outlined in the Basic Agreement.
 - (ii) complete calendar months worked during the work-term(s) at Hamilton Works while in the program will be credited towards their vacation entitlement.
 - (iii) complete calendar months worked during the work-term(s) at Hamilton Works while in the program will be considered Credited Service.
 - (iv) the hours worked during their work-term(s) at Hamilton Works will be considered hours worked for purposes of the Group RRSP (referred to in Item 26).
- (b) Licensed Hiring Program: This program is applicable when an employee applies for or indicates an interest to enter the program who has previously attained the required license for the respective skilled trade or to employees hired directly into Skilled Trades and Services Jobs. Such employee will be paid the starting trade rate, progress and demonstrate performance to obtain the intermediate rate after 1040 hours worked and progress to the standard rate after a subsequent 1040 hours worked. It is understood that employees hired under this program must successfully complete their skilled trades training such that they obtain the Trade Standard Rate.
- (c) Hybrid Apprenticeship Program: This program is designed for an employee who is

entering the occupation, has obtained the approved classroom training but has not completed the required work portion of the Co-op/Apprenticeship Program referred to above. Such employee will start at the New Hire rate if he/she has no equivalent plant experience and move to the apprenticeship rate after he/she has demonstrated the required aptitude for the trade and has completed the required probationary period.

Skilled Trades Rate Schedule – Pay Levels

	Hourly Period	Mechanical	Mobile	Electrical	NDT
New Hire					
Apprenticeship Starting Rate	2080	Level 2	Level 2	Level 3	Level 2
Interim Rate #2	2080	Level 3	Level 3	Level 4	Level 3 (3120 Hrs)
Interim Rate #3	2080	Level 4	Level 4	Level 5	N.A.
Trade Starting Rate	1040	Level 5	Level 5	Level 6	Level 4 (2080 Hrs)
Trade Intermediate Rate	1040	Level 6	Level 6	Level 7	N.A.
Trade Standard Rate		Level 7	Level 7	Level 8	Level 5

- 16.04** (a) The Company and the Union recognize the importance to employees who have entered the Co-op/Apprenticeship, Licensed Hiring or Hybrid Apprenticeship Programs that they be afforded every opportunity to be successful in those programs.
- (b) For this purpose, the Company and Union agree to the establishment of a Skilled Trades and Services Committee. The Committee will be composed of a Chief Steward or delegate from each of the areas of Electrical, Mechanical, Mechanical Shops, Mobile Equipment Department, and Utilities and one additional representative. Company representatives to the Committee will include the Department Manager or delegate from each of the above departments, and a representative from the Plant Human Resources Department. For each skilled trade discipline there shall be a Skilled Trades and Services Subcommittee composed of the Supervisor Training and Technical Support or his/her delegate and the Chief Steward or his/her delegate plus up to three (3) delegates representing Management and up to three (3) delegates representing employees. The Union representatives will be employees of the appropriate department and will be appointed by the Union. Similarly, a separate standing committee will be established to monitor the Utilities Department Training Program with the same duties outlined below.

Representation may be increased with the agreement of both parties so that the Committee may adequately address issues of an extraordinary nature. Representation shall be on a one to one basis.

- (c) The Committee will meet once every three (3) months, and more frequently on urgent matters, to discuss matters relating to Skilled Trades and Services. In the event that the Committee is unable to reach a mutually agreeable resolution to any such matter, such matter shall be discussed by the Chairperson Skilled Trades and Services Committee with Division Manager, Maintenance Services prior to resolution by the Division Manager. Each Union representative of the Committee shall be paid at his/her pay level for time lost from work while attending such meetings and such time will be considered hours worked for all purposes.

Duties of the Committee

- (i) Application process for employees wishing to participate in this program.
- (ii) The content, structure and time frames for each of the Skilled Trades and Services curriculum.
- (iii) The selection of Union, Company, Government and/or academic trainers.
- (iv) Scheduling concerns for training purposes.
- (v) To maintain consistency of the program.
- (vi) Determine all aspects of legislative requirements.
- (vii) Establishment of a quantitative progress evaluation system which recognizes academic and practical performance.
- (viii) To ensure that an employee participating in this program is given every reasonable opportunity to be successful.
- (ix) The disposition of unsuccessful employees.
- (x) Discussing any disputes relating to this program while still allowing an employee his/her rights under the Basic Agreement.

- (xi) Development of appropriate standards to measure skills and qualifications for the purpose of progression with regards to the Skilled Trades Rate Schedule(s).

Co-Op Apprenticeship / Licensed Hiring and Hybrid Apprentice Programs

- 16.05 The Company will register with the Ministry of Training, Colleges and Universities (MTCU) or other appropriate Federal or Provincial Ministries, all employees entering Apprenticeships and will provide the names of all employees who successfully complete such programs.
- 16.06 An employee hired directly into a Skilled Trades and Services Training Program, the Company will notify the Union Chairperson of the Skilled Trades and Services Committee of any employees who have not made satisfactory progress in the Co-op/Apprenticeship, Licensed Hiring or Hybrid Apprenticeship Program. In the event the Company decides to terminate such employee from such training program, he/she will be terminated in accordance with the provisions of Section 9.11. However, the Company may offer employment in an entry level production vacancy that is available at the time of termination, provided the employee is qualified to perform the work and has established a

good work record during the time of his/her employment. If such employee completes his/her probationary period, his/her service shall include service prior to his/her last termination.

16.07 An employee who has been permanently transferred from an operating department to a Program for the training and advancement of the Skilled Trades and Services, and who does not make satisfactory progress, as determined by the Company, in such Program he/she will be terminated from the Program and the Company shall transfer the employee into an entry level production vacancy in their former department.

Utilities Department

16.08 Consistent with the Parties desires expressed in Section 16.01, the following shall constitute the terms and conditions of the Utilities Department training program:

- (a) The Parties will meet to develop and discuss training programs for the Utilities Department. Such programs may include but are not limited to internal training opportunities, Co-Op Training programs utilizing various Colleges for the necessary academic modules, self paced study programs or any variation thereof. It is understood that with any current or future training program, all employees in the Utilities Department will be required to obtain an appropriate ticket as determined by the Company.
- (b) For purposes of internal training opportunities, the following table sets forth the requirements necessary for employees to progress through the various pay levels. Employees who have permanently transferred from an operating department into the Utilities Department for the Utilities Operating Engineer training opportunities and who are unable to progress to Level 7 may be transferred from the Utilities Department at the discretion of the Company.

Pay Level	Possesses Skill / Training	Max Hours to Progress to Next Level
Level 2	4 th Class Modules	2080
Level 4	4 th Class Ticket	1040
Level 5	4 th Class Ticket with IMT / Purge / Gas Testing	
Level 6	3 rd Class Modules complete	2080
Level 7	3 rd Class Ticket	2080

Miscellaneous

16.09 The Company will determine and supply those tools required to employees performing duties in a skilled trade and services occupation. The Company will pay the cost of a required tool which is broken, worn, or lost while in the performance of normal duties and where the tool was properly used.

16.10 Skilled Trades group leaders will only be appointed under the following circumstances in the Electrical and Mechanical departments:

When a group of employees:

- (a) is formed to work together on an assignment, and
- (b) is not to be directly supervised by a supervisor for the major portion of the time taken to perform such assignment, and
- (c) consists of a minimum of five (5) employees, one (1) of the skilled trades person of the same skilled trades job will be appointed group leader and will remain group leader as long as the above conditions continue to exist.

16.11 It is understood that an employee, assigned to the Industrial Maintenance Mechanic occupation will not be demoted to a lower level of the craft because of the withdrawal of any government authorization required under The Boilers and Pressure Vessels Act, 1962-63, or any amendments thereto for a period of time not to exceed six months following the date on which such authorization was withdrawn. During this six month period of time the employee will be entitled to an opportunity of receiving the maximum number of government tests permitted for reinstatement of such authorization. If an employee fails to be reinstated, he/she will be removed from the Industrial Mechanic List and will be moved to another list as deemed appropriate by the Company. An employee will be given the opportunity to become familiar with the equipment and process prior to any required testing. It is further understood that an Industrial Maintenance Mechanic may be required by the Company to obtain Government and other authorizations, other than that referred to above, in order to be qualified to perform various types of welding as determined by the Company.

SECTION 17 TECHNOLOGICAL CHANGE

17.01 The parties recognize the importance of lessening as much as reasonably possible the effects of technological change upon the job security and the earnings of an employee who may be displaced from his/her job as a result of such change.

In order to reduce the impact of displacement from a job due to technological change, an eligible employee will be entitled to assistance in accordance with the following provisions.

Definition

17.02 Technological change shall mean:

- (a) the automation of equipment, or
- (b) the introduction of new equipment, or
- (c) the replacement of existing equipment with new equipment, or
- (d) the mechanization or automation of duties, or
- (e) the replacement of an existing facility with a new facility which produces the same or similar product,

which directly results in the permanent displacement of an employee from a job. The subsequent permanent displacement of junior service employees by an employee directly displaced from a job in accordance with the above shall also be considered to be a direct displacement due to a technological change.

The displacement of an employee from a job as a result of depressed business conditions, relocation or reassignment of equipment which is not the direct result of a technological change in such equipment, resource depletion or product obsolescence or market shift which is not the cause or the result of a technological change, fault of the employee, or layoffs caused by any strike, slowdown, lockout, sabotage, Act of God, or breakdown, shall not be considered to be a technological change.

Eligibility

17.03 An employee, in order to be eligible for a Maintenance of Earnings Benefit (MOEB), must:

- (a) have 18 or more months of service, and
- (b)
 - (i) be permanently displaced from a job to which he/she has been permanently appointed or permanently assigned, as a direct result of a technological change, and
 - (ii) be permanently displaced from a job to which he/she has held in accordance with the provisions of Clause 7.11 for a period of one (1) year or longer prior to the permanent displacement, as a direct result of the technological change, and does not return to the job which he/she previously held, or
 - (iii) be permanently displaced as a direct result of a technological change from a job on which he/she has worked at least 1040 hours in the year immediately preceding the displacement, or

- (iv) be permanently displaced from a job as a result of the permanent closure of an existing facility or after twenty-four (24) consecutive months of inactivity of a temporarily closed facility, or
- (v) be permanently displaced from a job as a direct result of the elimination or amalgamation of such job, and
- (c) have been assigned to the department in which such technological change displacement has occurred, for the three (3) month period immediately preceding such displacement, and
- (d) remain in the employment of the Company during the benefit period, and
- (e) accept the job at the highest pay level to which he/she is entitled and qualified to receive under the terms of the Basic Agreement during the benefit period and continue to accept assignment to any job with a higher rate of pay during the term of the benefit period.

In the event an employee does not accept the job at the highest rate of pay he/she is entitled and qualified to receive, such employee shall not become ineligible for a MOEB. However, the MOEB paid to such employee shall be calculated and paid as though the employee had accepted the job at the highest rate of pay which he/she is entitled and qualified to receive.

Maintenance of Earnings Benefit (MOEB)

17.04 For each pay period during the Benefit Period to which an employee is entitled as provided in Clause 17.05 below, an eligible employee will be paid a MOEB, calculated as follows:

- (a) A MOEB differential will be calculated which represents the difference between the Gross Hourly Rate of the job from which the employee was displaced as specified in Clause 17.03 (b) above, and the Gross Hourly Rate of the job to which the employee is permanently assigned at the time of the displacement.

A MOEB differential will also be calculated which represents the difference between the weighted average of the Gross Hourly Rates of the jobs, including the job specified in Clause 17.03 (b) above, on which the employee has worked at least 1040 hours in the year immediately preceding the displacement and the Gross Hourly Rate of the job to which the employee is permanently assigned at the time of the displacement.

The greater of the above calculations shall be applicable.

- (b) The MOEB differential will be applicable for each hour worked on a job during the pay period which carries a job level equal to or lower than the Gross Hourly Rate of the job to which the employee is permanently assigned as specified in (a) above.

- (c) In the event that an employee works on a job during the pay period which carries a higher Gross Hourly Rate than the Gross Hourly Rate of the job to which he/she is permanently assigned as specified in (a) above, the differential will be reduced by the difference between the Gross Hourly Rate of the job to which he/she is permanently assigned and any higher Gross Hourly Rate of a job on which the employee works in the pay period.
- (d) The MOEB will represent the total of the earnings calculated in accordance with (b) and (c) above plus the balance of the employee's actual earnings during the pay period.
- (e) The Gross Hourly Rate of the jobs specified in (a), (b) and (c) above shall include in addition to the applicable Standard Hourly Rate, any other hourly supplementary payments applicable for hours worked on such jobs. Where such supplementary payments are calculated and paid on a quarterly basis, the appropriate hourly differential payment for such hours worked shall continue to be paid on a quarterly basis. For the purposes of this provision, such hourly supplementary payments shall, where applicable including Supplementary Payment Plan.

Duration

- 17.05**
- (a) An eligible employee will be entitled to have his/her earnings maintained in accordance with Clause 17.04 above for the greater of fifty-two (52) pay periods or one (1) pay period for each one quarter year of Company service not to exceed one hundred and four (104) pay periods.
 - (b) An eligible employee who exhausts the one hundred and four (104) pay periods will further be entitled to have his/her earnings maintained for an additional twenty-six (26) pay periods at fifty (50) percent of his/her applicable MOEB.
 - (c) The period of time during which an employee will be eligible to receive a MOEB will commence at the beginning of the pay period immediately following the pay period in which the employee became eligible and shall continue for each subsequent consecutive pay period thereafter for the appropriate number of pay periods to which the employee is entitled as provided above.
 - (d) Any pay period, during the whole of which an employee is absent from work solely due to sickness or injury (as evidenced by a Doctor's certificate as required by the Company) and is not entitled to any payment from the Company during such pay period, shall, subject to the provisions of part (e) below, not be counted and the benefit period shall continue for the remainder of its unexpired term commencing with the pay period in which the employee returns to work or would have returned to work following such sickness or injury, provided further that such employee remains in the employment of the Company. The day's pay to which an employee is entitled under the provisions of Clause 12.01 will not be considered as a payment of the Company

for purposes of this paragraph.

- (e) Any pay period during which, either in whole or in part, an employee is absent from work for any reason other than sickness or injury, shall be considered as part of the consecutive period of time.
- (f) Any period during which an employee is absent from work due to sickness or injury shall be considered as a part of the consecutive period of time, where such employee had been absent from work for the entire twelve (12) months immediately preceding the time that he/she would have been displaced from the job as specified in Clause 17.03 (b).
- (g) An employee who is eligible to receive a MOEB in accordance with the Eligibility provisions as defined herein shall remain eligible for such Benefit from the time of his/her displacement until the expiration of the Benefit Period provided such employee continues to comply with the Eligibility provisions.

Should such employee, as a result of illness or injury (as evidenced by doctor's certificate if so requested by the Company) be unable to maintain the Gross Hourly Rate of the job from which he/she was originally displaced at any time during his/her Benefit Period, such employee will receive a MOEB differential in accordance with the Eligibility provisions for the balance of the duration of his/her Benefit Period.

Training

17.06 If an eligible employee requires training or retraining, the Company will offer such training or retraining under the provisions of Section 8 of the Basic Agreement on a job in his/her department which would potentially provide as closely as possible the job classification level which he/she held before his/her displacement.

If the eligible employee requires training and requests same on a job other than the job designated by the Company, and such requested job would potentially provide as closely as possible the job classification level of the job designated by the Company, he/she may apply for such training under the provisions of Section 8, except that the words "there is a need for additional trained employees" as contained in Clause 8.01(b) will not apply if the eligible employee is senior in service to the employees already trained.

In the event that the Company determines that the eligible employee requires training and a training opportunity as specified above does not exist within his/her department, the Company will, subject to operating requirements and the availability of training opportunities, retrain him/her for a job in another department which would potentially provide the job classification level which he/she held prior to his/her displacement. If the employee accepts such training in another department, he/she will be entitled to exercise his/her departmental service record for the purposes of applying for a permanent vacancy on such job. If he/she is appointed to the job in the new department, he/she will be transferred by the Company in accordance with the provisions of Clause 7.15 (a) of the Basic Agreement. Any such training shall be carried out in

accordance with the provisions of Section 8 of the Basic Agreement.

An employee displaced from a job in accordance with Clause 17.03 (b) above will be given preferential consideration for a vacancy in a Skilled Trades and Services Apprenticeship or Assigned Maintenance Training Program, provided that the employee has the prerequisite qualifications as established by the Skilled Trades Committee.

For the purposes of this Clause 17.06, the provisions of Clause 17.03 of the Basic Agreement shall not apply during the period that an employee is entitled to a benefit under Clause 17.05 hereto.

- 17.07** (a) The Company will notify the Union in writing six months in advance or as soon as possible in advance of any technological change which may cause a displacement of employees from their jobs.
- (b) There will be a Union Technological Change Committee not to exceed four (4) employees, one (1) of whom will be the Union President or his/her delegate, the other three (3) employees as selected by the Union. The Company Committee will consist of the General Manager Operations, Hamilton Works and the Manager - Employee Relations or their delegates and two (2) other Company representatives.
- (c) Committee meetings will be convened once every three (3) months at a mutually convenient date and time and more frequently on urgent matters as the case may be requested by either party. Time spent at such meetings will be paid at an employee's average hourly rate during the preceding pay period.
- (d) The purpose of such meetings will be to review any Technological Change and matters which may arise out of such Technological Change as it applies to employees. In advance of such meeting, the parties will establish an agenda of matters to be discussed.
- (e) The Company will provide, as soon as practicable, the estimated time frame for the implementation of any technological change and will advise as to the number of employees potentially affected. Such estimates will be refined by the Company monthly in subsequent meetings.

SECTION 18 TERMINATION

18.01 This agreement shall be in effect until June 30, 2022 and shall thereafter continue for a further

period of one year unless during the one hundred and ten (110) day period immediately preceding the expiration date, either party shall give written notice to the other that it desires revision or termination of this agreement at its expiration date. Where notice of revision is given, negotiations shall commence during the ninety (90) day period immediately preceding the expiration date.

Signed this the ____ **Day of** _____, **2019**

FOR THE COMPANY:

Hamilton Works

S. Sanyal

R. McTiernan

FOR THE UNION:

United Steelworkers, Local 1005

G. Howe

R. Wells

A. McLaughlin

D. Van Meer

J. McColl

T. Walsh

APPENDIX 'A'

Pay Levels Established

July 1, 2017

Level	Base*	SPP	Total
1	\$23.000	\$0.000	\$23.000
2	\$27.452	\$0.266	\$27.718
3	\$28.680	\$0.418	\$29.098
4	\$29.908	\$0.570	\$30.478
5	\$31.136	\$0.760	\$31.896
6	\$32.978	\$0.950	\$33.928
7	\$33.285	\$0.988	\$34.273
8	\$33.899	\$1.064	\$34.963

N.B.

1st year Co-op and 1st year Summer Students = \$16.00/hr.

2nd year Co-op and Returning Summer Students = \$18.50/hr.

New Hire Probationary Employees = \$23.00/hr.

Effective November 1, 2018

1st year Co-op and 1st year Summer Students = \$18.50/hr.

2nd year Co-op and Returning Summer Students = \$20.50/hr.

APPENDIX 'B'

PAY LEVELS AND PREMIUMS

Supplementary Payment Plan			
Job Level	July 1, 2017	Scale	Total
1	\$23.000	\$0.000	\$23.000
2	\$27.452	\$0.266	\$27.718
3	\$28.680	\$0.418	\$29.098
4	\$29.908	\$0.570	\$30.478
5	\$31.136	\$0.760	\$31.896
6	\$32.978	\$0.950	\$33.928
7	\$33.285	\$0.988	\$34.273
8	\$33.899	\$1.064	\$34.963

Premiums	July 1, 2017
Saturday Premium	\$1.000
Sunday	\$1.250
Split Days Off Premium	\$1.000
Afternoons	\$0.400
Nights	\$0.550

Conversion Guide

- Level 1 = Probationary Employees
- Level 2 = Job Classes 5 to 7
- Level 3 = Job Classes 8 to 11
- Level 4 = Job Classes 12 to 15
- Level 5 = Job Classes 16 to 20
- Level 6 = Job Classes 21 to 25
- Level 7 = Mechanical
- Level 8 = Job Classes 26 to 28

1st year Co-op and 1st year Summer Students = \$16.00/hr.
 2nd year Co-op and Returning Summer Students = \$18.50/hr.

Effective November 1, 2018

1st year Co-op and 1st year Summer Students = \$18.50 /hr.
 2nd year Co-op and Returning Summer Students = \$20.50/hr.

APPENDIX 'C'

JOB DESCRIPTIONS

Position Title: Senior Operating Technician
Job Level 8

Operates and is responsible for a major producing unit (such as Tandem Mill) as a member of the operating team. Directs other operating and support crew members, performs administrative duties, and communicates with maintenance, as required, to maximize production. Performs and assists in production and maintenance tasks and functions necessary to assure maximum production, quality, and inspection. Performs or leads maintenance activities as required with operating crew members and coordinates and works in conjunction with Industrial Maintenance (Electrical & Mechanical) employees.

Position Title: Job Level 8 Industrial Maintenance – Electrical
Job Level 7 Industrial Maintenance – Mechanical

Performs all maintenance functions (electrical or mechanical) necessary to maintain all operating and service equipment using standard and specialized tools and equipment including mobile equipment as required. Operates equipment in conjunction with repairs and provides assistance in operating functions as necessary to maintain continuity in of operations. May work alone, with minimal supervision, with other Industrial Maintenance employees or with Operating employees as required. May direct other personnel, perform administrative tasks and coordinates and works in conjunction with operating team members in the performance of maintenance tasks.

Position Title: Operating Technician III
Job Level 6

Operates and is responsible for a significant producing unit (such as a BOF, Caster or Galvanizing Line, etc.) or operates and assists Senior Operating Technician on a major producing unit as a member of the operating team. Directs other operating and support crew members, performs administrative duties and communicates with maintenance, as required to maximize production. Performs and assists in production and maintenance tasks and functions necessary to assure maximum production, quality and inspection. Performs or leads maintenance activities as required with operating crew members and coordinates and works in conjunction with Industrial Maintenance (Electrical & Mechanical).

Position Title: Operating Technician II
Job Level 5

Operates and is responsible for producing and support units other than those described above or operates key sections of a producing unit or equipment (such as Blast Furnace Stoves, Casthouse Equipment, BOF Vessel Controls, Flux / Additive Systems, Casting Equipment, Pot / Center Section Equipment) and assists Senior Operating Technician or Operating Technician III as a member of the operating team. Directs support crew members, performs administrative duties, and communicates with maintenance as required to maximize production. Performs and assists in

production and maintenance tasks and functions necessary to assure production, quality, and inspection. Performs or leads maintenance activities as required and coordinates and works in conjunction with Industrial Maintenance (Electrical & Mechanical).

Position Title: Operating Technician I
Job Level 4

Operates sections of a producing unit and assists Senior Operating Technician, Operating Technician III or Operating Technician II as a member of the operating team. Performs various tasks in support of the operating units and operates associated equipment such as Roll Grinders, Locomotives, Torch Cut Machines. Directs support crew members, performs administrative duties, and communicates with maintenance as required to maximize production. Performs and assists in production and maintenance tasks and functions necessary to assure production, quality, and inspection. Performs or leads maintenance activities as required and coordinates and works in conjunction with Industrial Maintenance (Electrical & Mechanical).

Position Title: Utility Technician
Job Level 3

Operates equipment and performs tasks that support operations of the various producing units and works with materials and equipment to handle, transport and process product and materials. Directs the flow of material to and from producing units and inspects material. Operates equipment associated with producing units such as slitting equipment, welders, etc. operates material handling equipment such as overhead electric cranes, feeders, etc. and mobile equipment such as slab haulers, trucks, tractors, etc. Performs administrative duties. Inspects and performs maintenance on all equipment.

Position Title: Utility Person
Job Level 2

Operates equipment and performs tasks such as operator labour, general labour and light mobile equipment operator required to support and maintain plant operations. Supports and assists in maintenance activities.

APPENDIX 'D'

WORKPLACE RESTRUCTURING AND PRODUCTIVITY

1. The Parties recognize that employment security and productivity improvements must be inseparably linked if Hamilton Works is to attain sustained profitability. The objective of the workplace restructuring is to have maximum efficiency and have employees perform a broader range of duties and eliminate jurisdictional and other barriers which would interfere with maximizing flexibility and productivity. This process began by agreeing to new Lines of Progression (“LOP”) and new jobs.

2. In order to achieve the workplace restructuring objective, the Parties have agreed to the following:
 - (a) The newly described jobs found in Appendix 'C' and represented in a new LOP represents the new position to which an employee may hold incumbency. Former job titles listed inside a box in a LOP simply represent the duties of the position encompassed by that position box and it is understood that such a former job title is not a "job".
 - (b) Employees may be assigned to perform any function within the new position descriptions to which they are capable of safely performing. Rotations through the various functions encompassed by the new positions will be necessary and required to provide and maintain job knowledge and skills.
 - (c) The Parties recognize a requirement to maintain competency and familiarization and employees will be required to rotate through the various functions encompassed by the new jobs.

3. The Parties have engaged in a number of discussions regarding the implementation of the new LOP, new jobs and new job descriptions and have agreed to the following for further clarification:
 - (a) Notwithstanding anything in the Agreement to the contrary, employees who were, on the Effective Date, qualified incumbents in a job which has been combined into a new or restructured job, shall become incumbents into the new job and will be paid the corresponding rate of pay.
 - (b) Historically, the Parties have combined various jobs in an effort to increase flexibility. Resulting from such were agreements which provided for training rates of pay until such time as the employee would be deemed qualified to receive the full rate of pay. Such training/qualifications agreements will remain in effect.
 - (c) The Union has expressed concern over the training of employees, specifically relating to Job Level 3 positions in an LOP (and the Job Level 4 position in the Coke Oven Unit LOP), pursuant to Paragraph 3-B above. In circumstances where an employee has been receiving the training rate of pay, but has been denied the opportunity to fully train and become qualified in the full scope of the job, the employee will be paid the full rate of pay for the incumbent job after training on the job for ninety (90) twelve (12) hour shifts or 1080 hours worked, whichever comes first. This consideration will not be applicable to the situation in which the employee is not fully qualified as a result of the employee's inability or unwillingness to become fully qualified after having been afforded reasonable training opportunities. The parties further agree, for sake of clarity, that Section 3 (c) of Appendix D only deals with the training of employees specifically relating to Job Level 3 positions in a LOP and the Job Level 4 position in the Coke Oven Unit LOP.

- (d) An employee who is qualified in any of the functions in a higher box fills a temporary vacancy, in accordance with Section 7 of the Basic Agreement, in a higher box in a LOP, and performs any of the functions in the higher box, shall be paid the rate of pay associated with the “higher” box. It is expressly understood that this paragraph will not be extended to cover instances where an employee is training on a higher position.
- 4. The Lines of Progression that have been agreed to shall remain in effect unless modified by a local written agreement signed by the Grievance Chair and the Manager - Employee Relations.
- 5. To implement the principles described above the Parties recognize that a joint effort is required and agree to:
 - (a) An implementation period of three (3) to six (6) months which will consist of identification of existing incumbents, vacancies and job posting as required.
 - (b) Meet on an as needed basis, but no less than monthly, to ensure successful transition to the new LOP.
 - (c) Seniority Lists identifying incumbency and qualifications will be provided to the Local Union on a monthly basis, as well as posted in the respective Departments.
- 6. Disputes over the implementation of this Item on Workplace Restructuring and Productivity shall be discussed by the Local Union President, the Grievance Chair and the Manager — Employee Relations.
- 7. The provisions of this Appendix "D" are subject to the agreement of the parties, set out in Item 8, Section 4, to conduct a review of Job Classifications and Lines of Progression, and shall be modified as a result of that review.

**ITEM 1
LETTER OF AGREEMENT
RE: VACATION SCHEDULING**

The Company will employ persons as summer relief at Hamilton Works up to the maximum degree practicable to improve vacation scheduling.

The Company recognizes the desirability of scheduling vacation during the summer months of the year; therefore, it is the Company’s intention to provide employees with two (2) or more weeks of vacation entitlement, with two (2) weeks of vacation scheduled during the period from June 1st to August 31st, during the first round of vacation bookings.

If conditions beyond the Company's control prevent it from carrying out this commitment, the Department Manager will discuss the matter with the Chief Steward of the department involved with

the objective of working out suitable alternative arrangements.

ITEM 2
LETTER OF AGREEMENT
RE: SPECIAL LEAVES OF ABSENCE FOR
ELECTED AND APPOINTED OFFICIALS

1. An employee who becomes a candidate or the senior campaign manager of a candidate for election to the office of Provincial or Federal Member of Parliament, or to the political office of Mayor or Regional Chairman, Alderperson or School Trustee will be granted a leave of absence for such purpose. In the event that an employee is appointed to or elected to any of the offices as set out above, the leave of absence for such employee will be extended for the period of time he/she serves in such office.
2. In the event that an employee is elected as an official of the United Steelworkers or appointed by the District Director of the United Steelworkers as a staff representative of the Union, the employee, upon written request by the International Office of the Union, will be granted a special leave of absence for the term of his/her elected office or appointment.
3. Company Service for any such employee as specified in 1, 2 or 7 shall be retained for the period prior to his/her leave of absence and, for the purposes of Section 7 Seniority only, shall accumulate during such leave.
4. The Company will extend Group Insurance Benefits (except Weekly Indemnity and Long Term Disability) provided that any such employee pays the full premiums for such coverage.
5.
 - (a) For the purposes of eligibility for Pensions or Deferred Life Annuities as provided in Section II of the Agreement for a Pension Plan, credited service shall include any calendar month during the whole of which an employee is on leave of absence in accordance with paragraph 2 of Item 2.
 - (b) For the purposes of determining the amount of Pension or Deferred Life Annuity as provided in Section III of the Agreement for a Pension Plan, credited service shall not include any calendar month during the whole of which an employee is on leave of absence in accordance with paragraph 2 of Item 2.
 - (c) The monthly pension payable shall be calculated based on the pension formula in effect at the date of retirement.
 - (d) This amendment shall apply only to an employee who has been on leave of absence in accordance with paragraph 2. of Item 2 for a period of more than five (5) years from the date such leave began.
6. For the purposes of 2. above, it is agreed that not more than five (5) employees will be granted such special leave of absence at any one time.

7. In the event that an employee is placed on casual employment with the International Union it is agreed that the Company shall extend Group Insurance benefits to the employee. The International Union shall be responsible for covering the cost of such benefits for the period of the leave and for any vacation pay owing to the employee for the period of the leave. While on leave the employee shall continue to accumulate pension credits and the Company shall be responsible for the costs associated with the accumulation of these pension credits. The International Union agrees to give the Company advance notice of any employee who is to be placed on casual employment with it.

**ITEM 3
LETTER OF AGREEMENT
RE: EMPLOYEE ABSENCES**

It is understood that when an employee is absent from work it is the employee's obligation to notify the Company of such absence in advance of the start of the scheduled shift. Notification of an absence shall be given to the employee's Shift Manager and in the event that the Shift Manager is not readily available, notification shall be made to another designated person in the department. Such notification shall specify the nature, reasons, and expected duration for such absence.

It is an employee's obligation to justify each absence which, at the request of the Company, will require the employee to produce a doctor's certificate.

Failure to notify or justify any absence shall constitute an unjustifiable absence.

It is understood that this Letter of Agreement shall apply in all cases of absence including those absences specifically dealt with under various provisions of the Basic Agreement.

**ITEM 4
LETTER OF AGREEMENT
RE: STEWARD SELECTION**

In accordance with the provisions of Clause 9.01 of the Basic Agreement, the Union shall be entitled to select Chief Stewards and Assistant Chief Stewards as follows:

Divisions	Chief Stewards	Assistant Chief Stewards
<u>Primary Operations</u>		
- Blast Furnance / Ore Dock	1	2
- Coke Ovens/Sinter Plant	1	2
- Basic Oxygen Furnace (BOF)	1	5
- Caster	1	4 (2 Caster and 2 Conditioning)

Rolling and Finishing

- Cold Roll Sheet	1	5
- Coated	1	2

Maintenance Services

- Assigned Mechanical	1	6
- Electrical	1	5
- Mechanical Shops/ Stores	1	4
- Mobile/Diesel, Derricks and Tractor Garage	1	1
- Yard Services	1	1
- Utilities	1	2

GRAND TOTAL = 51

The above total shall be read and construed to mean not more than the number referenced.

For a workforce of up to five thousand (5000) employees, the Union shall be entitled to select 100 stewards. The Union shall also be entitled to select additional stewards in the ratio of one steward for each thirty-four employees in excess of a workforce of five thousand.

In the event of the creation of a new department or the major restructuring of an existing department, the parties will review the steward representation within that department.

**ITEM 5
LETTER OF AGREEMENT
RE: CLAUSE 7.13**

The parties recognize that the application of Clause 7.13 (a) (iv) could result in the layoff of an employee senior to another employee who has been retained in the plant. In such case, for the purposes of Clause 7.13 (a) (iv) only, the following shall apply:

1. If the displaced employee, who is to be laid off work, is senior to another employee in any Division and is qualified, subject to Clause 7.06, to perform the job held by the junior employee, such senior employee will be assigned to such job and the junior employee will be laid off work from the Company. In the event that such senior employee is not entitled to any such job, the provisions of 2. below shall apply.
2. If the displaced employee who is to be laid off work is senior in service to another employee junior in service in any Division who is occupying a designated job as a result of his appointment under Clauses 7.07 or 7.13 such senior employee, subject to Clause 7.13 (b) will be assigned to such designated job, and the junior employee will be laid off work. In applying

the provisions of Clause 7.06 (b) with respect to the assignment of such senior employee to such designated job, the Company will provide such senior employee with up to two (2) weeks training, provided that such employee has the basic knowledge necessary to absorb such training.

3. With respect to the application of 2. above, the following shall apply:
 - (a) A designated job shall be any job so designated, in writing, by the parties.
 - (b) An employee who alleges that he/she has not been given proper consideration with respect to the application of this procedure, may file a grievance in this regard, provided that such employee will not be entitled to more than fourteen (14) days retroactive wages, if such grievance is successful, and the provisions of Clause 9.19 shall be read and construed accordingly. A grievance may not be submitted alleging that a job has been improperly omitted from the list of jobs designated by the parties. It is further understood and agreed that no other employee may file a grievance with respect to any aspect of the application of these provisions.
 - (c) The procedure as described will only take effect as of the commencement of the Basic Agreement, and will have no retroactive application. It is further understood port Orange is a change these provisions shall only be considered in conjunction with the provisions of Clause 7.13 (a) (iv) of the Basic Agreement.
4. A former employee who is recalled and rehired to work for the Company in accordance with Clause 7.13 (h), if assigned to a designated job, as specified in 3 (a) above, at the time of his/her return to work, shall be provided with up to two (2) weeks training, provided such employee has the basic knowledge necessary to absorb such training.

**ITEM 6
LETTER OF AGREEMENT
RE: SECTION 7**

For the purposes of Section 7, the following are the Divisions, Departments, and units for the purpose of Clause 7.10:

<u>Division</u>	<u>Department</u>	<u>Unit</u>
Primary Operations	Blast Furnace	-E Furnace - PCI
	Coke Ovens	-#7 Battery and Associated Coal Handling Systems - By Products (including WWTP) - Quality Assurance
	Raw Materials	- Ore Dock
	B.O.F.	- B.O.F.

		- LMF
	Caster	-Continuous Casting
	Mechanical	-Conditioning - Mechanical
	Electrical	- Electrical
Rolling & Finishing	Cold Roll Sheet	- Rolling (Tandem Mill) - Temper Mill & RTL - Roll Shop - Shipping
	Coated	- #3 Galvanize - 'Z' Line
	Mechanical	- Mechanical
	Electrical	- Electrical -Electrical Shop
Maintenance Services	Yard Services	- Trucks and Maintenance - Transportation & Tracks
	Mobile Equipment	- Diesel Shop - Tractor Garage - Derricks
	Stores	- Stores
	Utilities	- Primary Operations - Rolling & Finishing - Central Boiler Station (CBS) & Auxiliaries - Plant
	Mechanical	- Mechanical Shops - Machine Shop - Fab Shop - Carpenter Shop - Hydraulic Shop - Pipe Shop -Electrical Shop
	Electrical	- Electrical - Electrical Shop

Any temporary vacancy which occurs under Clause 7.10 in a unit as defined above, will be filled from among the employees on the shift within such unit.

ITEM 7
LETTER OF AGREEMENT
RE: 12-HOUR SHIFT SCHEDULE

Implementation and Application

This letter sets out the conditions under which the parties agree to implement a schedule of working hours, designated as the "T" schedule and attached hereto as Appendix "A", applicable only to employees in the departments that request implementation of this schedule.

For the purposes of this Agreement, the above-mentioned departments shall be referred to as the "Designated Departments".

It is understood that this agreement covers only those employees in the Designated Departments who are working schedules in the same pattern as the "T" schedule attached after having reached agreement between the Company and Union and signed a letter of intent outlining the implementation of such schedule.

In view of the potential impact on employees and operations, this schedule will be subject to continuous monitoring by the Company and the Union and in any event, the parties agree to meet and review the impact of the schedule during the fifth month following its implementation. Representatives of the Company and the Union will meet from time to time at the request of either party, for the purpose of reviewing the experience relative to the operation of such schedule and more specifically to discuss any change in conditions in areas such as: safety and health, absenteeism, operational capability, legislative prohibition, etc., with the view to determining whether such schedule should be continued or terminated. The Company or the Union may, upon giving thirty (30) days written notice to the other party, terminate the application of the schedule.

In the event the schedule is terminated, in accordance with the provisions of this letter, the parties agree that the schedule in place in each Designated Department prior to the implementation, will be put into effect, unless the parties mutually agree to implement another schedule.

It is understood that following approval by the Company of the request of employees in each of the Designated Departments, the Union will conduct a vote, by secret ballot, of all of the employees in each of the Designated Departments to determine their true wishes with respect to the application of the scheduling agreement. It is understood that employees designated by the Union to conduct such vote will be paid by the Company. Payment for any such Union designate shall be at his/her average hourly rate during the preceding pay period and shall not exceed a total of fifty (50) hours in any particular vote for all of the Union designates. Provided that at least seventy (70) percent of the employees, in any of the Designated Departments, vote in favour of the schedule, it will be instituted in such Designated Department. Failure to approve the proposed schedule by the employees in any one of the Designated Departments will not affect the implementation of the schedule in any other

Designated Department where the schedule is accepted.

It is further understood that there will be no decrease in the number of employees employed in the Designated Departments as a result of the implementation of this 12 hour shift schedule.

It is further understood that the number of jobs comprising the day shift crew(s) shall be determined by the Company. However, the number of day shift jobs shall not be reduced as a result of the implementation of this 12 hour shift schedule. The Company shall provide the Union with a list of all day shift jobs in any designated department prior to the implementation of a 12 hour shift schedule in such department.

In addition, the parties agree the implementation of this 12 hour shift schedule in the Designated Departments is without prejudice to either party regarding possible future applications of 12 hour shift schedules elsewhere in Hamilton Works, or, with regard to any other issues between the parties.

Applications of the Basic Agreement

It is understood and agreed that the provisions of the Basic Agreement referenced below shall be applied in accordance with the following:

Clauses 7.07, 7.11, Mechanical Advice Notices -

Permanent vacancies under Clause 7.07, temporary vacancies under Clause 7.11 and Advice Notices under Item 10 re: Mechanical Seniority that arises in an area to which the twelve hour shift Letter of Agreement has application shall be so designated when they are posted. The successful applicants to such posted vacancies shall be subject to the terms and conditions referenced herein.

In the event that there are no applicants to the above-mentioned Advice Notices, the Company will fill such vacancies in accordance with Item 10 re: Maintenance Seniority. When the assignment of an employee pursuant to Item 10 of the Letter of Agreement re: Maintenance Seniority is from a job on an eight hour schedule to a job on a twelve hour schedule and, the employee so assigned elects to work in excess of eight hours in a work day, such hours will be paid at overtime rates.

Clause 7.10 - A vacancy under this Clause arising on a job in a Designated Department shall be filled in accordance with the provisions of Clause 7.10. Only employees to which the twelve hour shift Letter of Agreement has application shall be eligible to fill the Clause 7.10 vacancy in a Designated Department.

Notwithstanding the above, it may be necessary to assign an employee working an eight hour shift schedule to fill a Clause 7.10 vacancy arising on a job on a twelve hour shift schedule. Where the duration of such assignment is one calendar week or longer, the provisions of Clause 5.08, as amended hereinafter, shall apply to the employee so assigned. Where the duration of such assignment is for less than one calendar week, an employee who elects to work in excess of eight (8) hours in a work day shall be paid at overtime rates for such hours.

In recognition of the fact that an employee filling Clause 7.10 vacancies may not work a schedule identical to those in the Appendices attached, it is agreed that such employee shall be scheduled to

work an average of forty (40) hours per week during the period referenced in Clause 5.08 (b) as amended hereinafter. Scheduled vacation shall be deemed to be scheduled work for the purposes of this provision. Provisions for payment will be administered as per existing practice established as a result of the Letter of Understanding Re: Item 45 dated 24 October 1997 and renewed in the 2006 Negotiations.

In the event the Company determines a need to transfer significant numbers of employees from one department to another or from one area to another within a department, and such transfer will involve employees moving from an eight hour schedule to a twelve hour schedule, senior Company management will notify the Union Executive immediately in order to meet and review the situation prior to any transfers taking effect.

Amendments to the Basic Agreement

The Company and the Union agree that the following shall constitute amendments to the Basic Agreement in order to give effect to a "T" schedule provided herein where and when it applies to an employee.

The implementation or termination of such schedule shall not result in the payment of overtime hours or any other premiums which could otherwise be applicable.

The term "day" or "working day" as used through the Basic Agreement shall mean either a regularly scheduled work day of eight (8) hours or twelve (12) hours whichever the case may be. Specifically:

Clause 5.02 Is amended to read:

"(a) The normal work day for purposes of Clauses 5.02 to 5.06 inclusive shall be eight (8) hours of work or twelve (12) hours of work in a 24-hour period as the case may be."

Clause 5.06 Is amended by adding the following:

"When an employee is scheduled to a 12-hour shift, he/she will be provided with one thirty (30) minute lunch period and one twenty (20) minute lunch period. The first lunch period will be scheduled within the middle four hours of the first eight (8) hours of the shift and the second lunch period will be scheduled as soon as possible after the completion of the first eight (8) hours of the shift."

With respect to the Continuous Caster Department Clause 5.06 is amended to read as follows:

"When an employee is scheduled to a 12-hour shift, he/she will be provided with one thirty (30) minute lunch period and one twenty (20) minute lunch period. The first lunch period will be scheduled within the middle four hours of the first eight (8) hours of the shift and the second lunch period will be scheduled as soon as possible after the completion of the first eight (8) hours of the shift."

Notwithstanding this express provision the Company will provide an additional thirty (30) minute relief period within the first four (4) hours of the shift, for employees scheduled on the following functions, for the shift:

- Strand Operator
- Steel Pourer
- Utilityman A - Floor

It is agreed and understood that the granting and scheduling of relief periods is subject to the needs of particular operations but will not be unreasonably withheld.

Clause 5.08 Is amended to read as follows:

"Regular hours scheduled and worked in accordance with the schedule attached hereto will be paid for at straight time rates. Overtime rates shall be paid for:

- (a) Time worked in excess of eight (8) or twelve (12) hours in a work day;
- (b) Time worked in excess of 160 hours in each period consisting of two consecutive bi-weekly pay periods, as designated time worked if an employee is notified that he/she is required to work on his/her scheduled day off, provided however that this provision shall not apply in the case where an employee's schedule is changed to another shift or to a new working schedule which provides alternative day(s) off and such change in schedule is in accordance with the provisions of Clause 5.05. A day(s) lost from work as a result of the application of Section 7 shall not be considered as a scheduled day(s) off for the purpose of this clause. The Company will designate the day(s) lost from work as the result of the application designated by the Company;
- (c) Time worked before his/her regular starting time when an employee is called in before the regular starting time of any shift of eight (8) or twelve (12) hours;
- (d) Time worked after his/her regular quitting time when an employee is held after the regular quitting time of any shift of eight (8) or twelve (12) hours;
- (e) Time worked if an employee is notified that he/she is required to work on his scheduled day off, provided however that this provision shall not apply in the case where an employee's schedule is changed to another shift or to a new working schedule which provides alternative day(s) off and such change in the schedule is in accordance with the provisions of Clause 5.05. A day(s) lost from work as a result of the application of Section 7 shall not be considered as a scheduled day(s) off for the purpose of this clause. The Company will designate the day(s) lost from work as the result of the application of Section 7.
- (f) The first eight (8) hours worked on the designated downturn on the 168 hours per

week "T" schedule."

Clause 5.14 Is amended to read as follows:

"Turn premiums will be paid as follows:

- (a) (i) for hours worked by an employee on his/her regularly scheduled day turn from 4:00 p.m. until 8:00 p.m. or 3:00 p.m. to 7:00 p.m. as applicable - forty (40) cents.
 - (ii) for hours worked by an employee on his/her regularly scheduled night turn from 8:00 p.m. until 12:00 midnight or 7:00 p.m. to 11:00 p.m. as applicable -forty (40) cents.
 - (iii) For hours worked by an employee on his/her regularly scheduled night turn from 12:00 midnight until 8:00 a.m. or 11:00 p.m. to 7:00a.m. as applicable – fifty-five (55) cents.
- (b) The appropriate turn premiums under (a) above shall be paid to an employee who works a full overtime day or night turn as defined therein."

Clause 5.17 Is amended by adding the following:

"This clause shall not apply to an employee scheduled in accordance with the schedule hereto for a given week and works such hours according to such schedule."

Clause 9.07 Is amended by adding the following:

"When the employee is working a 12 hour shift pattern, the Shift Manager will make known his/her decision to the employee within five (5) calendar days."

Clause 12.03 Is amended by adding the following:

"The expression 'employee's regularly scheduled hours' shall mean eight (8) hours. However, when a statutory holiday falls on a day on which an employee is scheduled to work a twelve hour shift but is not required by the Company to work such shift, the special allowance shall be calculated on the basis of twelve (12) hours."

Clause 15.01 Is amended by adding:

"The expression 'period of time' shall mean either eight (8) or twelve (12) hours."

Clause 15.02 Is amended to read:

"An employee shall be permitted time off from work up to a maximum of three (3) days for the purposes of arranging and attending the funeral of a member of his/her immediate family or, where he/she does not attend the funeral, one (1) day or two (2) days for attendance at a memorial service. Where any of such days fall on a scheduled work day for the employee, he/she shall be paid a bereavement allowance for each day equivalent to eight (8) or twelve (12) times the average hourly rate earned by him in the preceding pay period. Immediate family shall mean spouse, son, daughter, mother, father, sister, brother, grandmother, grandfather, grandson, granddaughter, mother-in-law, father-in-law, sister-in-law or brother-in-law, or a common law spouse and mother, father, sister, or brother of such common law spouse, provided the employee has co-habited with such spouse for three (3) or more years.

For the purpose of this clause, the terms "sister-in-law" and "brother-in-law" shall be defined as the brother or sister of the employee's spouse and the wife or husband of the employee's brother or sister."

Overtime Meal Allowance

It is agreed that an employee who works more than three (3) consecutive hours overtime immediately after having worked a regularly scheduled eight (8) hour or twelve (12) hour shift, will be paid a \$6.50 meal allowance in his/her regularly bi-weekly pay.

Filling of Vacancies

For the duration of this agreement, vacancies caused by absences and other operating requirements within each of the Designated Departments will be filled through the use of voluntary overtime.

In recognition of the importance of this issue to the successful implementation and continuation of 12 hour shifts, the Union agrees to emphasize the need for full and continued co-operation of the employees involved. In addition, should a situation arise where voluntary overtime proves insufficient to meet the operating needs of any of the Designated Departments, representatives of the Union executive and senior Company representatives agree to meet immediately to discuss and resolve the matter.

Job Descriptions and Level Grade Classifications

It is understood and agreed that the implementation of this schedule will not in itself result in any amendment or modification to the job descriptions and level grade classification or cause the Union or any employee to claim that an existing job description and level grade classification has changed.

In the future, new jobs will continue to be described and classified on the basis of a regular eight (8) hour shift of work and no consideration will be given to the extended hours of work beyond eight (8) hours.

Maximum Working Periods

Employees will be allowed mutual shift changes provided no employee will be allowed to work more than four consecutive 12 hour shifts nor will an employee be allowed more than four consecutive days off, except in the case of scheduled vacations. No employee will be allowed to work a double shift while working a 12 hour schedule. Employees will be allowed to arrange early relief of up to 4 hours. Such arrangements will be made between the employees subject to the approval of their supervisor. Such approval will not be unreasonably withheld.

“Y” Schedule - 160 Hours Per Week

The terms and conditions under which the parties agree to implement a schedule of working hours designated as "Y" schedule (attached hereto as Appendix “B”) shall be as reflected in the provisions of this Item with the following amendments:

1. It is understood that the reference to the "T" schedule shall mean "Y" schedule.
2. The designated eight (8) hour turns reflected on the "Y" schedule attached result in a downturn every Wednesday from 8:00 a.m. to 4:00 p.m. The parties agree that the "Y" schedule may provide for one eight (8) hour downturn per week on some other calendar day and/or time as may be determined by the Company.
3. It is understood and agreed that Clause 5.08 (f) has no application to the "Y" schedule.

“F” Schedule - 120 Hours Per Week

The terms and conditions under which the parties agree to implement a schedule of working hours, designated as “F” schedule (attached hereto as Appendix “C”) shall be as reflected in the provisions of this Item with the following amendments:

1. It is understood that the reference to the “T” schedule shall mean “F” schedule.
2. Clause 5.08 (b) is amended to read:

"Time worked in excess of 120 hours in each period of three consecutive calendar weeks as designated by the Company."
3. It is understood and agreed that Clause 5.08 (f) has no application to the “F” schedule.

"P" Schedule - 80 Hours Per Week

The terms and conditions under which the parties agree to implement a schedule of working hours, designated as “P” schedule (attached hereto as Appendix “D”) shall be as reflected in the provisions of this Item with the following amendments:

1. It is understood that the reference to the “T” schedule shall mean “P” schedule.
2. Clause 5.08 (b) is amended to read:

"Time worked in excess of 80 hours in each period of three consecutive calendar weeks as designated by the Company."

3. It is understood and agreed that Clause 5.08 (f) has no application to the "P" schedule.
4. The parties agree that the "P" schedule pattern may be initiated on a Monday or a Tuesday as reflected on Appendix "D". In either case, the designated eight (8) hour turn shall be the last scheduled day shift in the calendar week.

APPENDIX "A"

"T" SCHEDULE - 168 HOURS PER WEEK

	S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S
8 am to 8 pm	D C C B[B]A A	A D D C[C]B B	B A A D[D]C C	C B B A[A]D D
8 pm to 8 am	B A A D D C C	C B B A A D D	D C C B B A A	A D D C C B B
Days Off	A B B A A B B	B A A B B A A	A B B A A B B	B A A B B A
Days Off	C D D C C D D	D C C D D C C	C D D C C D D	D C C D D C C

[] = Designation for payment purposes only.

APPENDIX "B"

"Y" SCHEDULE - 160 HOURS PER WEEK

	S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S
8 am to 8 pm	D C C[B]B A A	A D D[C]C B B	B A A[D]D C C	C B B[A]A D D
8 pm to 8 am	B A A(D)D C C	C B B(A)A D D	D C C(B)B A A	A D D(C)C B B
Days Off	A B B A A B B	B A A B B A A	A B B A A B B	B A A B B A A
Days Off	C D D C C D D	D C C D D C C	C D D C C D D	D C C D D C C

[]= Designated 8 hour shift: 4 p.m. to 12 midnight.

() = Designated 8 hour shift: 12 midnight to 8 a.m.

Downturn scheduled as determined by the Company.

APPENDIX "C"

"F" SCHEDULE - 120 Hours Per Week

	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
8 a.m. – 8 p.m.	B	B	C	C	C	-	-	A	A	B	B	B	-	-	C	C	A	A	A	-	-
8 p.m. – 8 a.m.	A	A	A	B	B	-	-	C	C	C	A	A	-	-	B	B	B	C	C	-	-
Days Off	C	C	B	A	A	A	A	B	B	A	C	C	A	A	A	A	C	B	B	A	A
						B	B						B	B						B	B
						C	C						C	C						C	C

APPENDIX "D"

"P" SCHEDULE - 80 HOURS PER WEEK

Week #1	<u>S</u>	<u>M</u>	<u>T</u>	<u>W</u>	<u>T</u>	<u>F</u>	<u>S</u>
8 a.m. – 8 p.m.		A	A	A	[A]		
8 p.m. – 8 a.m.		B	B	B			
Week #2							
8 a.m. – 8 p.m.		B	B	B	[B]		
8 p.m. – 8 a.m.	–	<u>A</u>	<u>A</u>	<u>A</u>	–	–	–

[] - Denotes 8 hour shift (8 a.m. - 4 p.m.)

- OR -

Week #1	<u>S</u>	<u>M</u>	<u>T</u>	<u>W</u>	<u>T</u>	<u>F</u>	<u>S</u>
8 a.m. – 8 p.m.	A	A	A	[A]			
8 p.m. – 8 a.m.	B	B	B				
Week #2							
8 a.m. – 8 p.m.	B	B	B	[B]			
8 p.m. – 8 a.m.	<u>A</u>	<u>A</u>	<u>A</u>	–	–	–	–

[] - Denotes 8 hour shift (8 a.m. - 4 p.m.)

ITEM 8
LETTER OF AGREEMENT
RE: WORK RESTRUCTURING AT HAMILTON WORKS

Joint Hamilton Works Senior Restructuring Committee

The Company and the Union agree that there is a need to continue to restructure to varying degrees in various businesses within Hamilton Works the way work is described, performed, and assigned over the term of this Agreement. The parties recognize the role of the Local Union as an advocate for the interests of its membership and the right of Hamilton Works Management to manage and be held accountable for its decisions regarding the businesses within the Works.

In order to establish the proper forum for the exchange of information and discussion of ideas and approaches for resolution of issues that arise (including mutual agreement to guidelines, work rules or practices, etc.), the parties agree to the establishment of a Joint Hamilton Works Senior Restructuring Committee.

Mandate

Without limitation on the advocacy role played by the Local Union or the rights and responsibilities of Hamilton Works Management, it is recognized that areas of mutual interest exist with regard to the ongoing restructuring of work within the businesses at Hamilton Works. This presents opportunities for Hamilton Works Management and the Local Union to discuss and attempt to mutually agree on a course of action or basis for resolution in these areas.

The overall mandate is to find mutually acceptable ways and means to deal with the ongoing restructuring of work as described above in the Hamilton Works business in order to ensure competitive position in both the short and long term. The opportunities for stability of employment and maintenance or improvement of wage and benefit levels may be enhanced by such activity.

The Committee shall have the authority by mutual agreement to establish joint sub-committees to deal with particular issues as part of restructuring. Each such sub-committee will be given a specific mandate, sufficient resources, and be held accountable for reporting recommendations to the Senior Restructuring Committee. Examples of such sub-committee activity may include:

- (a) examining or developing proposals for new or modified job levels,
- (b) changes to existing schedules,
- (c) amendments to work practices, conditions, or jurisdictional rules relative to specific circumstances,
- (d) the establishment and implementation of job skills and/or educational training programs targeted to enhance the employment security of senior employees,
- (e) the establishment of Health and Safety training programs,
- (f) ensuring appropriate consideration of Health and Safety issues related to restructured jobs or revised working procedures or facilities,

- (g) administration of contracting out provisions;
- (h) administration of grievance and arbitration procedures.

It is understood that there will be a requirement from time to time to establish multi-functional committees in order to improve the efficient operation and effectiveness of such committees. The parties agree to maximize the effective utilization of existing committee representatives and resources, and avoid duplication of committee activities wherever possible with regard to these work restructuring initiatives.

The parties agree that the Senior Restructuring Committee shall not interfere with the traditional activities of the Job Evaluation program and related procedures referred to in Section 6 of the Basic Agreement. The parties also agree that the Senior Restructuring Committee shall not eliminate or interfere with any committees established by the Basic Agreement.

It is further understood that in the event the parties are unable to reach agreement, the provisions of the Basic Agreement shall apply.

Structure

The Joint Hamilton Works Senior Restructuring Committee shall be composed of not more than two (2) representatives from Hamilton Works Management and two (2) representatives from the Local Union Executive.

The additional involvement of others shall be by the mutual agreement of the parties depending on the particular issues and circumstances involved.

The Committee shall meet quarterly or more often as circumstances require and where mutually agreed.

The time spent by each of the two (2) Union Executive members of the Committee shall be considered to be time worked for all purposes and paid for by the Company at the individual's regular rate of pay. The maximum total annual payment for this purpose shall be one thousand (1,000) hours.

Information

It is recognized that information relative to the financial and commercial performance of the Hamilton business is of value to the Local Union. Similarly, information related to facilities utilization, levels of operation, planned and approved Hamilton Works capital spending, anticipated levels of employment, and overtime hours worked is of particular significance to the Local Union in the carrying out of its mandate.

Hamilton Works Management agrees therefore to discuss information and receive input from the Local Union relative to these items as they relate to Hamilton Works. Such information shall be discussed with the Union members of the Hamilton Works Joint Senior Restructuring Committee on a semi-annual basis or more often as necessary and as mutually agreed.

Education/Influence

The Hamilton Works Joint Senior Restructuring Committee recognizes there are areas of mutual interest where awareness, educational, or lobbying activities may be appropriate. Where the parties agree, the appropriate resources will be assigned to these activities. Examples may include this type of interaction with customers, suppliers, Hamilton Works employees, various levels of government (Municipal, Regional, Provincial, Federal), community groups, educators, and professional, trade, or industry-based organizations.

Specific Actions of Senior Restructuring Committee

1. Operator-Maintenance

The Company and the Union agree to establish the parameters and key elements of an “Operator-Maintenance” job description. The Senior Restructuring Committee shall be provided additional hours to a maximum of sixty (60) shifts during the above referenced ninety (90) day period for this purpose.

Consistent with these parameters and elements, various specific job descriptions will be developed and applied according to the needs of the various businesses within Hamilton Works as part of the ongoing restructuring activities and efforts to improve the cost-effective use of employee’s skills.

Issues related to the establishment and implementation of these jobs, including the development of the necessary skills and Health and Safety training programs, issues related to the timing of training, and methods for establishing employee qualifications shall be consistent with the provisions of this Letter.

2. Seniority Alignment

The Company and the Union recognize the desirability of bringing into balance the Union’s desire to maintain the employment of the more senior employees in circumstances of reduced levels of employment, and the Company’s requirement to ensure the employees retained in these same circumstances have the necessary skills and ability to perform the required work.

It is therefore agreed between the Company and the Union that it shall be the objective of the parties through the management of the Hamilton Works Joint Senior Restructuring Committee to develop mutual acceptable ways and means of providing the necessary skills and educational training for senior employees so as to enhance the likelihood of achieving this balance over the term of this agreement.

Furthermore, the parties will continue to seek mutually agreeable solutions to specific issues arising in any decrease in working force circumstance. As has been our understanding in situations where the parties are unable to agree, the provisions of the Basic Agreement shall apply.

3. Training

As part of the ongoing restructuring of Hamilton Works, the Company and the Union agree that over the term of the Basic Agreement, the Senior Restructuring Committee will implement a Hamilton Works Training Plan. The Company and Union agree to establish a Hamilton Works

Training Committee that will oversee training activity within Hamilton Works and will report to the Senior Restructuring Committee. The Hamilton Works Plan will:

- (a) encompass training of bargaining unit members;
- (b) ensure that the necessary skills and ability to perform work both now and in the future are present in the workforce;
- (c) ensure that the principle of seniority is respected;
- (d) ensure that all employees are provided with the opportunity for greater training, and in upgrading their skills in both specific and generic skills;
- (e) be based on a jointly developed needs analysis which will attempt to balance training requirements of the current and future production and operational practise, and the training needs of individual workers.

4. Review of Job Classifications, Lines of Progression

The Senior Restructuring Committee shall meet within six (6) months of the date of acquisition of the Company by Bedrock Industries LLC and shall examine in good faith the existing job classification system, set out in Appendix "C" herein, including the issues relating to Utilities Restructuring, set out in Item 25. The examination shall include a review of the current Lines of Progression. The purpose of this examination will be to assess whether the current job classification system and Lines of Progression are efficient, profitable and fair. If the Senior Restructuring Committee concludes that it is appropriate to do so, it may add to, delete from or amend the current job classes and/or Lines of Progression. Should it choose to do so, the Joint Restructuring Committee will then consider whether any such change will necessitate revisions to current job training. Either party may grieve the issue of whether the other has conducted the examination in good faith.

ITEM 9 LETTER OF AGREEMENT RE: PLANT RELOCATION

The Company is prepared to discuss with the Union any intention to relocate an operating department to some other location outside of the Hamilton Works jurisdiction. Such discussion will consider such matters as the displacement of employees and their entitlement under the provisions of Section 7, Section 17, the application of Supplementary Unemployment Benefit, and any other consideration to which they may be entitled. These discussions will take place under the provisions of Clause 1.02.

ITEM 10 LETTER OF AGREEMENT RE: MAINTENANCE SENIORITY

It is understood that insofar as any provisions of this agreement are specifically in conflict with any provisions of the Basic Agreement, the provisions of this agreement shall prevail.

A. SENIORITY

For all purposes of this Agreement, the following will be considered as separate sections of the Maintenance Department: General Mechanical, Roll Turners, Millwright, Pipefitter, Carpenter, Rigger, Welder, Ironworker, Steamfitter and Machinist. The following will be considered as separate skilled trade sections of the Electrical Department: Electrical Maintenance, Instrumentation, Electronics, Construction and Electrical Shops. Mobile Equipment will consist of Mobile Technician, Hoisting Engineer and Mobile Support.

1. There shall be a separate service list for each section based on Company service.
2. For the purpose of applying the provisions of Clause 7.10 of the Basic Agreement in the General Mechanical section, only those employees on the subsection which the vacancy occurs will be considered. For the purpose of this provision, the following will be the subsections of the General Mechanical Section: Machine Shop, Fabricating Shops, Carpenter Shop, Car Repair, Hydraulic Shop, and Pipe Shop. It is understood that Non Destructive Technicians are assigned to the Fabrication Shop and they may be assigned, on a daily basis to any area of the plant.
3. Whenever the term “department” is used in any provision of the Basic Agreement, the term “section” shall be substituted in place thereof when applying any such provision in the Maintenance Departments.

B. LAYOFF AND RECALL PROCEDURE

The parties hereto agree that the layoff and recall procedure in the Maintenance Departments will be applied in the following manner:

1. A reduction in working forces will be made subject to the provisions of Clause 7.06 of the Basic Agreement in the following manner:
 - (a) Within each section on the basis of the employee’s Company Service in the section, and
 - (b) The Company and Union agree that in the case of cutbacks, the Chief Stewards will meet with the Division Manager – Maintenance Services and Employee Relations Representative in order to determine the most equitable method of honoring seniority with respect to Maintenance with the understanding that it will be the most junior person cutback and/or laid off. For the purposes of this item it is agreed that “cutback” shall mean a Company imposed displacement from a skilled trade job to a non-skilled trade job.
 - (c) An employee displaced from any Maintenance section shall be assigned directly to the non skilled occupation in Maintenance Services on the basis of his/her Company Service, subject to Clause 7.06.

- (d) An employee who cannot be retained in the non- skilled occupations in Maintenance Services in accordance with (b) above, shall be provided available work in accordance with the provisions of Clauses 7.13 (a) (ii), (iii) and (iv) of the Basic Agreement.

2. Recall:

In the event of a recall to each of the above-mentioned sections, such recall shall be on the basis of an employee’s Company service, subject to Clause 7.06 of the Basic Agreement.

C. PREFERRED SCHEDULES IN THE MAINTENANCE DEPARTMENTS

Notwithstanding the Company’s right to schedule working hours and determine which schedules exist in each of the designated Division/Designated Work Areas, the Company shall continue to schedule the senior service/qualified employees to their preference of the existing schedules with those areas as attached hereto.

Subject to Clause 7.06, seniority shall be the governing factor for the purpose of determining work assignments, shift schedules and vacation selection.

Work assignments, schedules and vacation selection will be conducted annually and implemented on the first day of each new year. The selection process will occur in each Division prior to the first of each year subsequent to a meeting between the Department Maintenance Manager and the appropriate Chief Stewards. All selections will remain in effect for the subsequent year.

The above does not preclude the Company from filling short term vacancies in a manner best suited to the operation.

DESIGNATED WORK AREAS FOR:

Division	Mechanical Work Areas	Electrical Work Areas
Primary Operations	Ironmaking (BF,CO) Steelmaking (BOF, Caster) PO Support (Cranes) Caster Shop	Ironmaking (BF, CO) Steelmaking (BOF, Caster) PO Support (Cranes)
Rolling & Finishing	Cold Rolling Coated R&F Support (Cranes, Hydraulics, Bullgang)	Cold Rolling Coated R&F Support (Cranes,Instrumentation & Electrical, Bullgang)
Maintenance Services	Utilities Mechanical Maintenance Services-(includes Carpenter, Rigger, Pipefitter, Steam Fitter, Ironworker, Welder,	Utilities Electrical Power & Yards Scales, Electronics and Instrumentation Electrical Construction

Machinst, NDT).

Shops

Carpenter Shop

Electrical Shop

Machine Shop

Fab. Shop

Hydraulic Shop

Pipe Shop

Mobile Equipment Department.

D. WORK ASSIGNMENTS

Across Divisions – Primary/Rolling & Finishing/Maintenance Services

1. Whenever it is necessary as determined by the Company, to increase the number of maintenance personnel in one Division and decrease in another Division, an advice notice shall be posted in all Divisions of the plant. It is recognized that the filling of this vacancy could result in other subsequent vacancies, which will be filled by this singular posting. Only those employees on the plant wide seniority list for which this vacancy occurs, shall be eligible to apply. The Division in which the decrease will occur will be identified.
2. Applicants for the assignment may indicate up to four choices in order of preference.
3. The Company shall assign the employee(s) eligible to fill the vacancy subject to Clause 7.06 of the Basic Agreement. Exceptions will be discussed with the appropriate Chief Steward.
4. In the event that no one applies to fill the vacancy(ies): the company shall assign the junior service employee(s) from the Division being reduced.
5. It should be noted that the assignment of Electrical or Mechanical apprentices does not constitute a permanent assignment in this context. An apprentice completing his/her apprenticeship and becoming a journeyman shall not in itself permanently increase the number of electrical or mechanical personnel in a Division.

Within Divisions – Primary/Rolling & Finishing/Maintenance Services

1. Whenever the Company determines that a permanent assignment within a Division exists, which does not increase the total number of Electrical or Mechanical personnel in a Division, an advice notice shall be posted within the Division only.
2. Applicants for the assignment shall also indicate their choice(s) of work area (e.g. Ironmaking, Steelmaking, etc.) in order of preference.
3. The Company shall assign the senior qualified employee(s) eligible to fill the

vacancy(ies). Exceptions will be discussed with the appropriate Chief Steward. The senior applicant filling the vacancy(ies) shall be assigned in accordance with the terms of the Basic Agreement. In the event that no one applies to fill the vacancy(ies), the Company shall assign the required number of junior qualified employees from within the Division.

4. It is agreed that for the purpose of this Item, the words 'junior qualified section person' will be interpreted to mean a section person who has attained the starting Rate of his/her particular skill trade.
5. It should be noted that the assignment of Electrical or Mechanical apprentices does not constitute a permanent assignment in this context. An apprentice completing his/her apprenticeship and becoming a journeyman shall not in itself permanently increase the number of Electrical or Mechanical personnel in a Division.
6. Whenever a temporary assignment occurs in designated work areas requiring movement of personnel between the areas in order to meet operational needs of a specific facility, or to minimize the requirement for contractors, the following procedure outlines the method to be used to select the personnel for the temporary assignment.
 - (a) If the movement is required for an emergency condition as defined in Item 13 (j), an attempt shall be made to determine if volunteers who possess the required qualifications are available. If there are no qualified volunteers, any qualified employee will be moved and assigned to meet the needs of the operation.
 - (b) If the movement is required for a planned condition:
 - (i) An attempt will be made to determine if volunteers who possess the required qualifications are available and whose movement would not require a schedule change for the designated work area.
 - (ii) An employee who possesses the required qualifications will be moved to meet the needs of the operation if it would not require a schedule change for the employee to be moved.
 - (iii) If the employee to be moved is required to have his/her schedule changed on the basis of the temporary assignment, then subject to Clause 7.06, employees will be assigned on the basis of seniority.
 - (c) In all cases of the temporary movement of employees, a meeting will be held prior to the movement taking place, with the appropriate Chief Steward and a Company representative.
 - (d) This procedure is to be used to provide the greatest flexibility to the Company in dealing with operational needs, while ensuring that the movement of employees is carried out in a fair and equitable manner.

ITEM 11
LETTER OF AGREEMENT
RE: PERMANENT LAYOFFS AND CLOSURE OF A DEPARTMENT

1. General Intent

The overriding goal of the Company and the Union is to avoid the necessity of layoffs at Hamilton Works. To that end the Company and the Union have agreed to review and implement changes in work organization that will enhance the efficiency and productivity of the existing workforce and to a comprehensive program to review and reduce contracting out by the Company of work that can be performed by the bargaining unit workforce.

2. Notice of Permanent Layoffs or Closure of a Department

Where the Company intends to lay off permanently ten (10) or more employees or to close an existing department, the Company shall give notice of its intention as soon as practicable and in the case of a department closure, twelve (12) months prior to its effective date.

The notice shall specify the operation or facilities involved, the nature of the work affected, the employees affected, and the reasons for the Company's decision.

3. Adjustment Committee Structure

A Committee shall be established and responsible for consideration of alternatives to the intended permanent layoff or department closure, planning and execution of assistance to the employees affected by the layoff or shutdown, obtaining such financial assistance as available from government programs and other sources to support the adjustment program, counselling employees affected by the layoff or shutdown, determining training programs and individual training assignments that would be eligible for funding.

The Committee shall consist of four members, two from the Company and two from the Union. It is understood that additional members may be added to the Committee depending on the circumstances associated with the particular shutdown or closure as mutually agreed to by the parties.

The Company shall provide to the Committee such information as the Committee may require to complete its work including:

- (i) information as to alternatives considered by the Company's decision and the Company's reasons for rejecting such alternatives, and
- (ii) information regarding the employees affected such as age, service, pension status, etc.

The Company shall pay for the time for work performed by the Union members of the Adjustment Committee to a maximum of forty-eight (48) hours in a calendar month for each member of such Committee unless extended by mutual agreement.

4. Rights of Employees Under Notice of Layoff or Closure as a result of Facility Shutdown or Closure

When an employee has received notice of layoff, such employee shall be afforded time off the job for the purpose of attending job interviews subject to the needs of the particular operation up to a maximum of sixteen (16) hours per month. The Company shall pay such employee for one-half of such time at the employee's average hourly rate in the preceding pay period.

Department Supervision shall discuss with any such employee ways to accommodate the time required by an employee to attend any training program or course during his/her period of notice of layoff.

Time off in accordance with the above shall be considered credited service for pension purposes.

Nothing herein precludes an employee from requesting a leave of absence in accordance with Clause 14.01(a) of the Basic Agreement.

5. Funding of Adjustment Programs

The Adjustment Committee shall explore the various levels of government for funding where applicable, consider and recommend possible Company contributions as may be required to attract the maximum available public funding.

6. Early Retirement

Where it has been determined that there is no alternative but to reduce the bargaining unit, the Company shall consider incentives for employees eligible to retire in an effort to reduce or eliminate the required layoff. Incentives may include:

- (a) enhanced basic or bridge benefits
- (b) enhanced pre-retirement vacation benefits
- (c) unreduced early retirement
- (d) unreduced early retirement at age 55 with age and service totalling 70 or more and at any age with age and service totalling 80 or more.

7. Severance

An employee who has been laid off for a period of thirty-five (35) weeks in any period of fifty-two (52) consecutive weeks and who is not entitled to recall pursuant to Clause 7.03 of the Basic Agreement shall be entitled to severance pay.

The Company shall add to the amount payable in accordance with the applicable legislation sufficient monies to ensure that such employee receives the equivalent of two normal non-overtime weeks for each year of service to a maximum of fifty-two (52) weeks.

8. Deferred Pension

Any employee who is permanently laid off from the Company and whose recall rights have expired or been waived and whose age and seniority total 55 or more at the date of layoff shall be entitled to a deferred pension beginning at the earliest date that he or she would have been eligible to retire had he/she continued to work for the Company. Where such employee has 10 or more years of seniority, such deferred pension shall include any applicable bridging benefits.

9. Recall

The Company and the Union have agreed to an extension of recall rights to provide that employees shall have the right to recall equal to two (2) times their seniority to a maximum of six (6) years. Former employees with the right to recall would have the right to turn down recall to a temporary job.

Recall rights shall be terminated automatically when an employee elects to receive severance pay.

10. Preferential Hiring

Employees laid off by the Company shall have preferential hiring rights for a period of time equal to their recall rights.

11. Supplementary Unemployment Benefit (SUB)

Company contributions to the SUB fund shall be 10 cents per hour worked. Weekly benefits shall be \$ 200.00 until the fund is exhausted at which point the Company will fund a deficit in the amount of two million dollars, and the weekly benefit shall be \$150.00 until such time as the two million dollar deficit maximum has been reached.

**ITEM 12
LETTER OF AGREEMENT
RE: PERSONS EMPLOYED AS SUMMER RELIEF**

Notwithstanding the provisions of Section 7 of the Basic Agreement, persons employed as summer relief will not acquire service and may be terminated by the Company at any time. It is agreed that the termination of such an employee will not be subject to the grievance and arbitration procedures.

In addition, persons employed as summer relief will not be considered employees for purposes of contributions to the Group RRSP (referred to in Item 26) and will not be eligible to participate in the Group Insurance Program.

The above provisions shall not apply to former employees who have recall entitlement and who are employed temporarily as summer vacation relief. It is understood that if such employee is already a participating member in the U. S. Steel Canada, Inc. Retirement Plan for Local 1005 Members at Hamilton Works, such employee will accumulate service for the period of their summer vacation relief but are not considered to have been recalled under the provisions of Section 7 nor do the provisions of Clause 7.13 apply during the period of their summer vacation employment. If such employee is subject to the provisions of the Group RRSP (referred to in Item 26), the Company will award Credited Service for the period of their summer vacation relief but are not considered to have been recalled under the provisions of Section 7 nor do the provisions of Clause 7.13 apply during the period of their summer vacation employment. Further, hours worked during the vacation relief period will be considered hours worked for purposes of the Group RRSP (referred to in Item 26).

ITEM 13
LETTER OF AGREEMENT
RE: CONTRACTING OUT AND COST CONTROL

The Company and the Union are committed to the productive utilization of bargaining unit employees so as to minimize the requirement for the contracting out of work both inside and outside Hamilton Works and have accordingly agreed as follows:

A. BASIC CONCEPT

In determining whether work should be contracted out or accomplished by the employees the guiding principle is that work the employees can do, or can be reasonably trained to do, shall be performed by the employees.

Accordingly, the Company shall not contract out work for performance inside or outside Hamilton Works unless it demonstrates that such work meets one of the following exceptions.

B. EXCEPTIONS:

1. Work in the Plant:

- (a) Production, service, all maintenance and repair work, all installation, replacement and reconstruction of equipment and productive facilities, other than that listed in Sub-paragraph B-1-(b) below, may be contracted out if (i) the consistent practice has been to have such work performed by employees of contractors or (ii) it is more reasonable (within the meaning of paragraph C below) for the Company to contract out such work than to use its own employees.
- (b) Major new construction including major installation, major demolition, major replacement of equipment and productive facilities of Hamilton Works may be contracted out. As regards the term "major", above, this means a project exceeding \$500,000 Canadian on any single and discrete project.
- (c) Notwithstanding the provisions of sub-paragraphs (a) and (b) of this section 1, the

Company will undertake to continue past practice with regard to construction and peripheral work in order to minimize the likelihood of layoffs for employees and maximize the opportunities for work for existing employees and former employees with entitlement to recall.

2. Work Outside the Plant:

- (a) Should the Company contend that maintenance or repair work to be performed outside the plant or work associated with the fabricating of goods, materials or equipment purchased or leased from a vendor or supplier should be exempted from this Item, the Company must demonstrate that it is more reasonable [within the meaning of Paragraph (c) below] for the Company to contract for such work (including the purchase or lease of the item) than to use its employees to perform the work or to fabricate the item.

Notwithstanding the above, the Company may purchase standard components or parts or supply items produced for sale generally, termed for purposes of this agreement "Standard Purchased Items". It is agreed that Standard Purchased Items includes all components or parts or supply items purchased by the Company prior to July 31, 1990.

3. Capital Expenditures:

It is understood that the application and/or interpretation of the provisions of this Item shall not obligate the Company to commit to any capital expenditures other than as it deems necessary.

4. Mutual Agreement:

Work contracted out by mutual agreement of the parties pursuant to paragraph (F) below.

C. REASONABLENESS

In determining whether it is more reasonable for the Company to contract out work than use its own employees, the following factors shall be considered:

1. Whether the employees will be adversely impacted as a result of a decision to contract out or not contract out any work. In this regard, the Company will not contract out work that will result in employees losing a shift(s) of work, or in the discharge or layoff of employees. In addition, in the event that an employee is laid off work in accordance with the provisions of the Basic Agreement, the Company will not contract out, subsequent to his/her layoff, and during his/her period of entitlement to recall, the work that such employee previously performed or is qualified to perform in accordance with Clause 7.06. It is further agreed that the Company shall not contract out any work in any department that has experienced a reduction in manpower by attrition, retirement, layoff or otherwise (i.e. Workplace Safety Insurance Board, Long Term Disability, etc.) so long as there are any bargaining unit members with recall rights at Hamilton Works, subject to the other provisions of this paragraph C.

2. Desirability of recalling former employees with entitlement to recall.
3. Availability of qualified employees (whether active or former employees with entitlement to recall) for a duration long enough to complete the work.
4. Availability of required equipment on hand or by lease or purchase, provided that either the capital outlay of the purchase of such equipment or the expense of leasing such equipment, is not an unreasonable expenditure in all the circumstances at the time the proposed decision is made, subject to paragraph C 5.
5. The expected duration of the work and the time constraints associated with the work.
6. Whether the decision to contract out the work is made to avoid any obligation under the collective bargaining agreement or benefits agreements associated therewith.
7. Whether the work is covered by a warranty necessary to protect the Company's investment. For purposes of this subparagraph, warranties are intended to include work performed for the limited time necessary to make effective the following seller guarantees:
 - (a) Manufacturer guarantees that new or rehabilitated equipment or systems are free of errors in quality, workmanship or design.
 - (b) Manufacturer guarantees that new or rehabilitated equipment or systems will perform at stated levels of performance and/or efficiency subsequent to installation.

Warranties are commitments associated with a particular product or service in order to assure that seller representations will be honoured at no additional cost of the Company.
8. In the case of work associated with leased equipment, whether such equipment is available without a commitment to use the employees of outside contractors or lessors for its operation and maintenance.
9. Whether, in connection with the subject work or generally, the Union is willing to waive or has waived restrictive working conditions, practices or jurisdictional rules.

D. CONTRACTING OUT COMMITTEE

1. A regularly constituted Committee consisting of not more than (4) persons, half of whom

shall be designated by the Union in writing to the Company and the other half designated in writing to the Union by the Company shall deal with matters and resolve problems in connection with the operation, application and administration of the foregoing provisions.

2. In addition to the requirement of paragraph F. below, such Committee may discuss any other current matters with respect to contracting out brought to the attention of the Committee.
3. Such Committee shall meet at least once each month.

E. NOTICE AND INFORMATION

Before the Company finally decides to contract out an item of work, the Union committee members will be notified. Except as provided in paragraph H. below (Standard Purchased Item Procedure which will be reviewed monthly versus individually) such notice will be given in sufficient time to permit the Union to invoke the grievance and arbitration procedure as defined in Section 9 of the Basic Agreement unless emergency situations prevent it. Such notice shall be in writing and shall be sufficient to advise the Union members of the Committee of the location, type, description of work duration and timetable of the work to be performed so that the Union members of the Committee can adequately form an opinion as to the reasons for such contracting out. Such notice shall contain the information set forth below:

1. Location of work
2. Type of work:
 - (a) Service
 - (b) Maintenance
 - (c) New Construction
3. Description of Work
4. Crafts or occupations involved
5. Estimated duration of the work
6. Anticipated utilization of the employees during the period
7. Effect on operations if work not completed in timely fashion.

Within ninety (90) days following the effective date of this agreement, the Parties shall develop a form notice for the submission of the information described above.

Either the Union members of the Committee or the Company members of the Committee may convene a prompt meeting of the Committee. Should the Union committee members believe a meeting is necessary, they shall so notify the Company members in writing within two (2) days (excluding Saturdays, Sundays and Holidays) after receipt of such notice and such a meeting shall be held within one (1) day (excluding Saturdays, Sundays and Holidays) thereafter. The Union members of the Committee may include in the meeting the Union representative from the area in which the matter arises. At such meeting, the Parties will review the description of the work to be performed and the reasons for contracting out such work. Upon their request, the Union members of the Committee will be provided any and all relevant information in Hamilton Works Management's possession relating to the reasonableness factors set forth in paragraph C. above. Included among the information to be made available to the Committee shall be the opportunity to review copies of any relevant proposed contracts with the outside contractors. This information shall be kept confidential. Repetitive or consistent failure to keep such information confidential

shall waive the Local Union 1005 Committee's entitlement to such information for the balance of the term of this Basic Agreement if such failure is grieved by Works Management and such grievance is upheld by an arbitrator. The Company members of the Committee shall give full consideration to any comments or suggestions by the Union members of the Committee and to any alternate plans proposed by the Union members for the performance of the work by the employees. Except in emergency situations, such discussion, if required, shall take place before any final decision is made as to whether or not such work will be contracted out.

Should the Company committee members fail to give notice as provided above, then not later than thirty (30) days from the date of the commencement of the work a grievance relating to such matter may be filed under the grievance and arbitration procedure. Should it be found in the arbitration of a grievance alleging a failure of the Company to provide the notice or information required under this paragraph E that such notice or information was not provided, that the failure was not due to an emergency requirement, and that such failure deprived the Union of reasonable opportunity to suggest and discuss practicable alternatives to contracting out, the Arbitrator shall have the authority to fashion a remedy, at his/her discretion, that he/she deems appropriate to the circumstances of the particular case. Such remedy, if afforded, may include earnings and benefits to grievors who would have performed the work, if they can be reasonably identified, and shall be consistent with the provisions of this Basic Agreement.

F. MUTUAL AGREEMENT AND DISPUTES

The Committee may resolve the matter by mutually agreeing that the work in question either shall or shall not be contracted out. Any such resolution shall be final and binding but only as to the matter under consideration and shall not affect future determination under this Item.

If the matter is not resolved, or if no discussion is held, the dispute may be processed by filing a grievance in accordance with Section 9 of the Basic Agreement, relating to such matters. Nothing herein shall preclude the Union from referring a grievance to arbitration through Section 49 of The Ontario Labour Relations Act (OLRA).

G. EXPEDITED ARBITRATION PROCEDURE

In the event that either the Union or the Company requests Expedited Arbitration (Section 49) OLRA of any dispute arising under this Item, it shall be in accordance with the following:

1. In all cases, except emergencies, Expedited Arbitration Procedure shall be implemented prior to letting a binding contract.
2. Within three (3) days (excluding Saturdays, Sundays and Holidays) after either the Union or the Company members of the Committee determine that the Committee cannot resolve the dispute, either Party may advise the other in writing that it is invoking this Expedited Arbitration Procedure.

The Parties agree that the grievance will not be the subject of grievance meetings pursuant to Section 9 of the Basic Agreement, and will be referred directly to arbitration through Section 49 of The Labour Relations Act (OLRA).

3. An Expedited Arbitration hearing shall be scheduled in accordance with Section

49 of the OLRA. The Arbitrator shall hear the dispute and, if circumstances dictate, must render a verbal decision at the conclusion of the hearing. Such decision shall bear only on the matter under consideration and shall not affect future determinations under this Item.

H. STANDARD PURCHASED ITEMS PROCEDURE

1. Within ninety (90) days following the effective date of this agreement the Company will provide the Union members of the Committee with the original list of Standard Purchased Items as defined in article B.2.(a). The Committee will meet promptly to discuss and review the list and, if requested, the facts underlying Hamilton Works Management's inclusion of any Standard Purchased Item on the list.
2. In the event that the Company intends to add an item(s) to the list, information will be provided to the Union in the form of a contracting out notice not later than the regularly scheduled meeting of the Committee next following the purchase of the item. Addition of such item(s) will be dealt with by mutual agreement or under the provisions of paragraph H.5. below. All other such additions will be listed for review by the Committee prior to permanent inclusion on the Standard Purchased Item list.
3. A Standard Purchased Item will remain on the Standard Purchased Item list until deleted by mutual agreement.
4. Purchased components or parts or supply items required to maintain a new facility will be exempt from this procedure for a period of twelve (12) months from start-up.
5. If the Union and the Company members cannot reach agreement that an item is a Standard Purchased Item, the dispute may be processed further by filing, within thirty (30) days of the date of the last discussion, a grievance in Step 3 of the complaint and grievance procedure. Such grievance shall include all items in dispute.

I. ANNUAL REVIEW

Commencing on or before August 1 of each year the Company committee members shall meet with the Union committee members for the purpose of (i) reviewing all work whether inside or outside the plant which the Company anticipates may be performed by outside contractors or vendors at some time during the following calendar year, (ii) determining such work which can be performed by the employees and (iii) identifying situations where the elimination of restrictive working conditions or practices would promote the performance of any such work by the employees. The Union committee members shall jointly be entitled to participate in this study to review those aspects of any current or proposed contracts concerning items of work performed by outside contractors and vendors. The information must remain confidential.

Not later than September 1 of each year, the Union and the Company committee members shall jointly submit a written report to the Local Union President and to the General Manager Operations, responsible for Hamilton Works, or their designees describing the results of this review. Specifically, the report should list (a) all items of work which the Parties agree will be performed by the employees during the following year, (b) all items of work which the Parties

agree would be performed by outside contractors and vendors, and (c) those items on which the Parties disagree. If the Parties disagree, the report will state the reason for such disagreement.

As to individual items of work, the Local Union President and the General Manager Operations, responsible for Hamilton Works or their designees, may (a) affirm the plant recommendation, (b) disagree with respect to the plant recommendation as to specific items and either (i) refer their dispute to arbitration under a procedure to be established by the Parties, or (ii) refer the matter back without resolution in which case the specific disputes will be handled under the provisions of this Item at the time they may arise or (c) refer the matter back with recommendations as to further action to resolve the matter by the Parties to the Basic Agreement.

J. DEFINITIONS

The following definitions shall apply to the provisions of this item:

Emergency: A situation that requires immediate action to be taken to correct a serious health and safety situation, to correct an immediate environmental situation, or prevent the shut-down of an operating facility and for which qualified members of the workforce are not available to provide the required skills/service within the necessary time frame and all related work until affected operations are back to normal as a result of an emergency.

Practice: The term practice will be defined by the Contracting Out Committee within sixty (60) days following the effective date of this agreement.

ITEM 14 LETTER OF AGREEMENT RE: EMPLOYEE AND FAMILY REFERRAL PROGRAM (EFRP)

The parties recognize that our organization's most important asset is our employees, and that human problems have the potential of being successfully addressed, provided that they are identified in their early stages and an individual effort is made to obtain assistance from an appropriate resource. Whether alcoholism, drug abuse, physical illness, mental or emotional stress, marital distress, financial problems, family conflict or other concerns, these are human problems which may have a profound impact upon the lives of employees affected, their families, and their job performance.

The Union and the Company wish to foster and maintain an attitude of assistance towards such problems when encountered by an employee, or member of his/her immediate family. Therefore, the parties agree to establish and maintain an employee assistance program designed to:

1. Prevent or resolve personal, social or health problems which may have a negative impact on work performance.
2. Enable employees to improve their quality of life, and
3. Assist troubled employees in arranging for appropriate outside resources.

An employee will be able to participate in the EFRP on a confidential basis. With the exception of general information demonstrating the existence and availability of an EFRP, an employee's participation will not be referred to by either party in an arbitration proceeding relating to discipline. An individual who participates in the administration of the EFRP shall not be used by either party as a witness with respect to an employee's involvement in the EFRP.

The Company will make every reasonable effort to facilitate an employee's participation in the EFRP, including attendance at a counselling or treatment program to which such employee has been referred under the EFRP.

Each participant in the EFRP holds particular rights and responsibilities related to the Program. An employee who participates in the program is entitled to maintain his/her privacy. All actions required in the administration of the Program will be performed in a manner which will maintain a high level of confidentiality and respect for privacy. An employee's participation, in itself, shall not jeopardize job security and/or create discrimination in promotional opportunities. A participant is responsible for his/her rehabilitation, with the EFRP providing assistance only. He or she must decide on the nature and extent of the treatment program and will not hold the Company or the Union liable for the treatment results or for any matter arising out of the EFRP. It is recognized that any participation in the Program is voluntary.

Nothing in this Agreement prohibits the Company from disciplining any employee notwithstanding that such employee is participating, has participated or intends to participate in the EFRP. The Company maintains the right to establish standards or performance and to administer and exercise its established disciplinary policy distinctly from the EFRP. The Union maintains its right to ensure the fair and equitable treatment of its members and to protect their rights in accordance with the established grievance procedure.

A decision by the Union or the Company to withdraw from this agreement must be given in writing to the other party no less than thirty (30) days prior to such action.

It is understood that any EFRP will not result in any additional costs as the result of the implementation of such program, except as may be agreed to by the Company.

ITEM 15
LETTER OF AGREEMENT
RE: OUTSIDE EDUCATIONAL COURSES

Tuition Reimbursement Programme

The Company encourages employees to improve their vocational development in the Company through educational courses. Where the employee attends such a course with advance approval by the Company, he/she will be reimbursed for the regular tuition fees upon evidence that he/she has satisfactorily completed the course. Where the Company instructs the employee to take a course as part of his/her job duties, all expenses will be paid by the Company.

Extension courses offered by accredited universities, high schools, technical training centres, and professional associations are eligible. To be approved by the Company, the course must be of a type that can reasonably be expected to improve the performance and development of employees in relation to their careers in the Company but is not required to be wholly vocational.

Government Training Assistance and Educational Programmes

The Company will continue to explore the feasibility of providing additional programmes of instruction to facilitate any required upgrading of basic educational qualifications. Various levels of government have, in recent years, increasingly concerned themselves with industrial training. The Company commits itself to continue to investigate the various training facilities of the Ontario and Federal Governments and to utilize such facilities and services to the extent that it is practicable.

ITEM 16 LETTER OF AGREEMENT RE: ASSIGNMENT OF INJURED and DISABLED EMPLOYEES

It is agreed that the objective of the program is to provide regular and meaningful work to assist in the rehabilitation of Hamilton Works employees (hourly-rated and salary), who are medically assessed to be temporarily or permanently disabled as the result of occupational or non-occupational injury/illness. The mandate of the committee is to return employees to meaningful and productive work, in compliance with current Human Rights legislation, including the company's duty to accommodate an injured or disabled employee.

Employees may be temporarily assigned to existing work and will be subject to the provisions of Section 7 regarding recall to their pre-accident/injury department.

In the event of a decrease in the workforce or layoff, the provisions of Section 7 will prevail.

Administration of Program

The Rehabilitation Committee shall be comprised of the following:

1. A representative from the Plant Human Resources Department.
2. A Company appointed doctor.
3. The Local Union President or his/her delegate.
4. The Chairperson of Workers' Compensation, Employment Insurance and Pension Committee or his/her delegate.
5. The Grievance Committee chairperson, or delegate.
6. A supervisory representative from the injured employee's department.

Function of the Rehabilitation Committee

1. The Committee will review the disposition of each employee and on the basis of medical opinion determine the category of participation as outlined best suited for the rehabilitation/accommodation of an employee either as a result of an industrial or non-industrial accident/illness.

2. The Committee will participate in the interview with the injured employee and any other party involved to ensure there is a clear understanding and acceptance of the conditions applicable to the employee.
3. The Committee will determine the temporary or permanent assignment of an employee to available work in his seniority department or other departments of Hamilton Works. The provisions of Clause 7.13 will have application to this assignment and the employee will have recall rights on that basis. The parties agree that the minimum rate of pay for an employee in accommodated employment shall be Level 2.
4. Upon successful completion of a work trial, all hours worked on a work trial by an employee will be hours considered for vacation entitlement.

Any disputes or disagreements arising from participation in any part of this program are to be referred to the Local Union President and the Manager — Employee Relations or his/her delegate(s) for resolution, prior to referring the matter through the grievance procedure.

ITEM 17 COST-OF-LIVING ALLOWANCE

1. Effective with the first pay period following the release of the Consumer Price Index (1971 = 100 Base) for August, 2017, when compared to August, 2016 for each 0.30 increase, an additional cost-of-living allowance of one (1) cent will be paid.
2. Effective with the first pay period following the release of the Consumer Price Index (1971 = 100 Base) for each of the following years, when compared to the Consumer Price Index for the years as shown below, for each 0.30 increase, a cost-of-living allowance of one (1) cent per hour shall be paid. Any annual increase shall be a soft float and will be added to any existing soft float.
 - (a) August, 2018 compared to August, 2017.
 - (b) August, 2019 compared to August, 2018.
 - (c) August, 2020 compared to August, 2019.
 - (d) August, 2021 compared to August, 2020.
3. Any increase in the cost-of-living allowance payable, as calculated above will be paid for straight time hours worked only and will not be paid for overtime hours, premiums or used as a basis for calculation of overtime
4. Cost-of-living allowance payments made to an employee shall not be included for purposes of calculating an employee's vacation and statutory holiday pay entitlement.
5. Any cost-of-living allowance soft float accumulated under this Basic Agreement shall be rolled into the Base Rate upon ratification of the next Basic Agreement on or before July 1, 2022.

The continuance of the cost-of-living allowance shall be contingent upon the availability

of the relevant monthly Statistics Canada Consumer Price Index in its present form and calculated on the same basis as the Index for August 1, 1996 (1971= 100 Base). No adjustments retroactive or otherwise shall be made in the Index by Statistics Canada during the term of this Agreement.

ITEM 18
LETTER OF AGREEMENT - PAYMENT PLANS

A. PRODUCTIVITY PAYMENT PLAN

A new Productivity Payment Plan (hereinafter referred to as PPP) is to be developed based on area productivity and paid on a pay period basis; the existing Supplementary Payment Plan (SPP) shall be rolled into the new PPP guarantee.

1. The parties will develop a PPP to provide an incentive opportunity. The plan design will follow the following principles:
 - (a) Fair to employees and stake holders, easy to understand, provide prompt performance feedback;
 - (b) Limited number of plans designed around saleable product (eg. Slab, hot band, finished coil); limited number of measurement factors;
 - (c) Factor basis is historical mix adjusted average, 100% historical = base (0%), based on prime production product to schedule;
 - (d) Calculated on base wage/level;
 - (e) All hours scheduled in a week will be factored in calculations, production average to be calculated over a 24 hour basis;
 - (f) All employees involved in production or support of production will participate in the same opportunity and will receive the Plant average payment;
 - (g) Internal quality deduction of 1:1 and external deductions 3:1;
 - (h) Ratio of compensation: 2% for every 1% increase in production;
 - (i) The parties will review payments periodically to ensure that the effect of paying plant averages under Section (i) herein does not result in aggregate payments that are either materially more or materially less than payment according to the Plan terms.
2. The PPP incorporates the SPP payment as a minimum payment. In the event such Plans have not been agreed to by the effective date SPP will continue. SPP continues until exceeded by the new PPP.
3. New or modified PPPs shall be established in accordance with the following procedure:

- (a) The Company will develop the proposed new PPP.
 - (b) The proposed new PPP will be submitted and explained to the Local Union Productivity Committee along with such additional employees as the Committee shall deem appropriate. The explanation shall include all information reasonably required to understand how the new PPP was developed. The Union shall be afforded a full opportunity to be heard with regard to the new PPP.
 - (c) Should agreement on a new PPP not be reached, the new PPP may be installed and the employees affected shall give the Plan a fair trial.
 - (d) The Union Productivity Committee may file a grievance at any time from 90 to 180 days from the date of installation of a new Plan. Such grievance shall be filed in Step 2 of the grievance procedure and shall be decided on the basis of the standard referred to in Paragraph 1 above.
4. The Company shall incorporate newly created jobs into existing incentive plans or establish new Productivity Plans to cover newly created jobs.

The Company shall also modify existing incentive plans where new or changed conditions resulting from technological improvements made by the Company in the interest of improved methods or products, or from changes in equipment, manufacturing processes or methods, materials processed, or quality or manufacturing standards or errors in development of such plans impact the earnings opportunity established in this Article positively or negatively, as the case may be, provided under an existing incentive plan. In all other circumstances, existing incentive plans shall remain unchanged.

5. The Company shall be permitted to establish an interim rate that may be used while the new Productivity Plan is being developed. The interim rate shall consist of, in addition to the applicable base rate of pay, a special hourly interim allowance equal to the percentage equivalent of the straight time average hourly earnings above the base rate of pay during the six (6) pay periods immediately preceding implementation of the interim rate. If the job involved is a new job, the interim rate shall be the applicable average interim rate found by relating the job requirements of such new job to the job requirements of the existing jobs under the previously existing incentive plan and shall be based solely on the incentive earnings of the related job(s) under the old plan.
6. In the event that a Plan becomes out of line relative to other plans, the parties will review the plans and decide the proper adjustment. If the adjustment is to reduce the opportunity provided by the Plan, the employees will be compensated for the adjustment based on six (6) months lost opportunity.

B. SUPPLEMENTARY PAYMENT PLAN

The Company will establish a Supplementary Payment Plan (hereinafter referred to as SPP) calculated and paid in accordance with the following and will be paid as a minimum guarantee against the Productivity Payment Plan.

1. Payment will be applicable as per job levels as follows:

Level 2 = .266, Level 3 = .418, Level 4 = .570, Level 5 = .760, Level 6 = .950, Level 7 = .988, Level 8 = 1.064.
2. Each employee who qualifies in accordance with paragraph 4 below, shall be paid a payment calculated as follows:
 - (a) The specified rate in accordance with paragraph 1 above, multiplied by the actual hours worked by the employee during such period, and
 - (b) The provisions of paragraph 5 below shall apply.
3. An employee will be eligible to participate in SPP:
 - (a) Effective on the day following the date he completes his probationary period, as specified in the Basic Agreement, and
 - (b) Provided the employee is on the payroll of the Company on the last day of the pay period for which SPP is calculated, except that an employee whose employment is terminated before such date for any of the following reasons shall be considered eligible during the pay period in which such termination occurs.
 - (i) Retirement on a pension under the provisions of the Pension Plan.
 - (ii) Death.
 - (iii) Laid off for lack of work as provided under Clause 7.13 (a) of the Basic Agreement.
4. The rate applicable under SPP shall be paid for all hours worked by an employee but shall not be increased by reason of having been earned in overtime. Hours not worked, even though compensated in accordance with a specific provision of the Agreement and deemed to be hours worked for other purposes, shall not be considered to be hours worked for the purpose of SPP.
5. Payments made to an employee under SPP shall be included for purposes of calculating an employee's vacation and Statutory Holiday pay entitlement.
6. The Company and the Union have agreed that all employees will be expected to perform their traditional duties and to co-operate in the traditional manner.
7. It is understood and agreed that any employee eligible under the provisions of SPP who participates in a strike, shall forfeit the greater of any entitlement to payment from the date of his participation to the end of any such pay period.

Participation in a strike continuing into the next pay period will result in the further

application of the above paragraph.

8. It is understood and agreed that the Basic Agreement shall be read and construed with the necessary changes so as to give full effect to the provisions of SPP and in the event of any conflict, the provisions of this Plan shall govern, subject only to the provisions of the Productivity Payment Plan.

C. PROFIT SHARING PLAN

1. Introduction

The parties agree to establish a profit sharing plan (hereinafter referred to as PSP) that aligns employees with other stakeholders and shareholders.

The profit sharing pool (the Pool) will be the Hamilton Works Component of the Profit Sharing Percentage and Threshold as defined below. Active employees shall receive 80% of the Pool and retirees that are below an acceptable minimum pension shall receive 20% of the Pool.

The Profitability Threshold will be established based on combination of corporate overhead, retiree costs, financing costs, taxes and capital expenditure spending.

The parties will jointly develop a description of the calculations used to derive profit sharing payments under the PSP for each quarter and distribute it to each Participant.

2. Level of Payout

The Company agrees that it will create a Pool consisting of a percentage of the Company's contribution, as defined below, and to distribute the Pool within forty-five (45) days of the end of each fiscal quarter, in the manner described below. The fourth quarter payment will be distributed within 15 days following the date of public release of the Company's annual audited financial statements, which may include an adjustment for the correction of errors in prior quarters.

3. Total Profit Sharing Calculation

For the purpose of this Plan, Payment will be based on Hamilton Works Profitability as follows:

- (a) Profitability
Profitability will be calculated on the basis of Hamilton Works EBITDA (Earnings before Interest, Taxes, Depreciation, Amortization) as established between the parties.
- (b) Profit Sharing Percentages and Thresholds
Hamilton Works Component = 6.5% of EBITDA in excess of \$25,000,000.
- (c) Total Profit Sharing Calculation
Quarterly Profit Sharing Payment per active Local 1005 Hamilton Works employee:
 - (i) $((\text{Hamilton Works Quarterly EBITDA} \text{ minus } \$25,000,000) \times 6.5\%) \times$

80%) divided by total hours worked by active Local 1005 Hamilton Works employees. This rate per hour will be multiplied by the hours worked by individual employees, subject to the limitations set forth below, to calculate the payment for each Local 1005 Hamilton Works employee.

- (ii) Maximum Profit Sharing payment for each quarter is \$3,500 per active Local 1005 Hamilton Works employee (subject to a maximum of \$14,000 per year per active Local 1005 Hamilton Works employee).

4. Individual Entitlement

The Pool will be divided among all employees (Participants) on the basis of the Hours (as defined below) of each such Participant in the calendar weeks within each fiscal quarter:

- (a) Hours shall include the following, but shall not exceed fifty-six (56) hours for any week for any Participant: hours worked (including straight time and overtime hours), hours on Union business (8) hours a day, while receiving WSIB benefits (based on the number of days absent from work while receiving such benefits).
- (b) Any payments made to a Participant pursuant to this PSP shall not be included in the Participant's earnings for purposes of determining any other pay, benefit or allowance of the Participant.

5. Administration of the Plan

- (a) The Plan will be administered by the Company in accordance with its terms and the costs of administration shall be the responsibility of the Company. Upon determination of each quarterly profit calculation, such calculation shall be forwarded to the Union accompanied by a Certificate of Officer signed by the Chief Financial Officer of the Company, providing a detailed description of any adjustments made to Earnings Before Interest and Taxes and stating that Profit was determined in accordance with GAAP and that quarterly profit was calculated in accordance with this Section.
- (b) The Union shall have the right to review and audit any information, calculation or other matters concerning the Plan. The Company shall provide the Union with any information reasonably requested in connection with its review. The reasonable actual cost incurred by the Union in connection with any such audit shall be paid from the Pool and deducted from the amount otherwise available under the Pool for distribution to employees.
- (c) In the event that a discrepancy exists between the Company's Profit Sharing calculation and the results obtained by the Union's review the Union and Company shall attempt to reach an agreement regarding the discrepancy. In the event that they cannot resolve the dispute, either party may submit such dispute to final and binding arbitration under the grievance procedure provided in this Agreement.

**ITEM 19
LETTER OF AGREEMENT
RE: VACATION PAY**

The parties have agreed to the following with respect to the calculation of vacation pay under the provisions of the Basic Agreement.

The term "calendar quarter year" which is used in Clause 11.03(a) shall mean the periods of time outlined below:

Calendar Year	Calendar Quarter Year	Period of Time
2017	First	December 18, 2016 to March 25, 2017
	Second	March 26, 2017 to June 17, 2017
	Third	June 18, 2017 to September 23, 2017
	Fourth	September 24, 2017 to December 16, 2017
2018	First	December 17, 2017 to March 24, 2018
	Second	March 25, 2018 to June 30, 2018
	Third	July 1, 2018 to September 22, 2018
	Fourth	September 23, 2018 to December 15, 2018
2019	First	December 16, 2018 to March 23, 2019
	Second	March 24, 2019 to June 29, 2019
	Third	June 30, 2019 to September 21, 2019
	Fourth	September 22, 2019 to December 14, 2019
2020	First	December 15, 2019 to March 21, 2020
	Second	March 22, 2020 to June 27, 2020
	Third	June 28, 2020 to September 19, 2020
	Fourth	September 20, 2020 to December 12, 2020
2021	First	December 13, 2020 to March 20, 2021
	Second	March 21, 2021 to June 26, 2021
	Third	June 27, 2021 to September 18, 2021
	Fourth	September 19, 2021 to December 20, 2021
2022	First	December 21, 2021 to March 19, 2022
	Second	March 20, 2022 to June 25, 2022
	Third	June 26, 2022 to September 17, 2022

The term "vacation year" which is used in Clause 11.03(b) shall mean the periods of time outlined below.

Vacation Year	Period of Time
2017	June 19, 2016 to June 17, 2017
2018	June 18, 2017 to June 30, 2018
2019	July 1, 2018 to June 29, 2019
2020	June 30, 2019 to June 27, 2020
2021	June 28, 2020 to June 26, 2021

Nothing in this letter shall affect any employee's vacation entitlement which is determined under Clause 11.01 of the Basic Agreement.

ITEM 20
LETTER OF AGREEMENT
RE: DISCRIMINATORY HARASSMENT

The following policy with respect to discriminatory harassment is endorsed by both parties:

Hamilton Works and the United Steelworkers believe that the human rights of all employees must be protected, so as to ensure that every person is treated with dignity and respect.

No individual should suffer from or be exposed to harassment at work, based upon that person's race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, handicap, age, record of criminal offences, family, marital or employment status. Harassment is a course of conduct or comment that offends or abuses a person on any of the grounds stated above, where such behaviour is known or ought reasonably be known to be offensive and unwelcome.

Sexual harassment is a particularly objectionable type of discriminatory course of conduct or comment which cannot be tolerated, as it represents an unwarranted intrusion upon a person's sexual dignity as a man or woman. Sexual harassment may take a variety of forms such as unsolicited or unwelcome gender-based comments, gestures and physical contact, or the control or alteration of working conditions so as to coerce submission to sexual advances.

In order to ensure the consistent application of this policy, it is both the right and the responsibility of any employee who believes that he or she has been subjected to harassment as defined above to immediately report such concerns to the designated representative. The Company will advise the designated Union representative of such allegation. All allegations will be fully investigated in a confidential manner. The complainant will be advised of the results of the investigation.

Any employee who, as a result of a full investigation is determined to be in violation of this policy may be subject to disciplinary action, up to and including discharge from employment.

Investigation and Resolution Procedure

- A. The Company and Union plant committee will discuss the establishment of a mutually acceptable procedure for investigation and resolution of allegations of discriminatory harassment. Each party will designate one person who will be the designated Management and Union representative for purposes of investigating allegations at the plant level.
- B. In addition to the investigative procedure established at each plant, the following Appeal procedure is established in the event that an allegation is not satisfactorily resolved:

1. The employee who claims a personal violation of the Policy may, within thirty (30) days of the date he or she is advised of the results of the investigation, at the plant level, appeal the allegation in writing to the two-person Appeal Committee as established hereinafter. The Committee will, as soon as possible following receipt of the written appeal, meet and review the facts pertaining to the allegation. The Appeal Committee may, at their discretion, seek any additional pertinent information by interviewing the complainant and other employees at the plant location. The Committee may attempt to resolve the allegation by suggesting a course of action to the appropriate plant Company and Union designated representatives. In the event that the allegation is not resolved in this manner, the Committee will prepare and issue a report of their findings and recommendations. Such report will be issued in confidence to the plant designated representatives who shall endeavour to resolve the allegation with the complainant and the local plant management. In the event that the matter continues to be unresolved, the Management of the plant will determine whether an employee has been in violation of the Policy and what appropriate disciplinary action will be taken. Nothing herein precludes or limits the employee's entitlement to pursue a complaint through the grievance procedure with regard to any disciplinary action taken against him.
 2. The Appeal Committee will be composed of one person designated by the U.S.W. as referenced in the Union's Policy document re Discriminatory Harassment and a Manager – Employee Relations. The two persons so appointed will remain the permanent Appeal Committee to investigate and attempt to resolve all appeals from the various plants of the Company.
 3. The Union and the Company may substitute another person as their permanent designated Appeal Committee member but it is intended by both parties that their designated member be appointed on a long term basis where possible.
- C. It is understood and agreed that the procedure established by this Letter of Agreement to investigate and resolve harassment complaints does not deny any employee from pursuing his/her complaint through the applicable legislative procedure and the internal procedure is intended as an alternative process which the individual may elect at his/her option. It is further understood that any complaint pursued through the internal procedure shall not be arbitrable, nor shall any documents, reports, discussion or information arising out of or during the procedure be introduced as evidence or referred to in any other legislative procedure.

ITEM 21
LETTER OF AGREEMENT
RE: TIMEKEEPING AND LATENESS

Pay deductions for lateness or leaving work early, or payments for overtime worked will be calculated in fifteen (15) minute increments.

It is agreed that an employee who is late once in a pay period will not be penalized a fifteen (15) minute deduction if such lateness is five (5) minutes or less. For the purposes of this provision, it is understood that the exemption will apply to both a deduction initiated by the Payroll Department

and a deduction that may otherwise be directed by the employee's Shift Manager based upon lateness on the job. An employee may suffer a deduction in pay if he/she is more than five minutes late in reporting for work on the job.

Any lateness in excess of five (5) minutes or any lateness in excess of the one in a pay period will result in a deduction from the employee's pay.

The existing Company rules regarding a deduction from an employee's pay for failure to record time in or out of the plant will remain unchanged and a fifteen (15) minute deduction from an employee's pay for such failure will be in effect.

Where an employee has reason to believe he/she has failed to properly record time in or out of the plant and such employee notifies his/her Shift Manager of such failure within two (2) hours after the start of or end of such employee's scheduled shift, the fifteen (15) minute deduction from the employee's pay for failure to record time in or out of the plant will be waived provided it can be determined by the Company that such employee has been on his/her job for the entire shift.

ITEM 22
LETTER OF AGREEMENT RE: EDUCATION FUND

A Fund will be established to assist all employees at Hamilton Works who wish to improve their education through attendance at seminars, school classes or such other training programs as may enhance the development and performance of the employee, including the establishment of an appropriate Union training and educational facility.

The Education Fund will be administered by the local Union, and once per year the Company may request a meeting with the Union to review the financial position and the administration of the Fund.

The Company will contribute three (3) cents per hour worked to the Education Fund and such contribution will be made for all hours worked. Hours not worked, even though compensated in accordance with a specific provision of the Agreement and deemed to be hours worked for other purposes, shall not be considered to be hours worked for the purpose of this Fund. Contributions to the Fund will be made quarterly, in the middle of the month immediately following completion of each calendar quarter year as specified in Item 19 of the Basic Agreement.

It is clearly understood that this Fund is strictly an education fund, to be utilized only for the education of employees of Hamilton Works in accordance with the general purposes as outlined above. If it is determined by the Company that this Fund is not being utilized in the agreed upon manner, the Company may withhold contributions to the Fund until it is satisfied that the Fund is being properly utilized. In the event that the Company does decide to withhold any contributions for this reason, the Union may appeal the decision of the Company through the grievance and arbitration provisions of this Agreement.

ITEM 23
LETTER OF AGREEMENT
RE: PREFERENTIAL HIRING

The Company will give preferential consideration to a person who has been laid off from a Works of the Company, and who possesses recall rights, for purposes of hiring into permanent vacancies at another Works in the same geographic area, provided that such person is physically fit and possesses the necessary basic skills to perform the available work. In order to be eligible for such consideration, the former employee must make special application to the Company so as to declare his/her interest for alternative employment. Such applicants shall be assessed on the basis of their former service. In this regard the Company agrees to the following:

- (a) The Plant Human Resources Department telephone number and address at each plant of the Company will be provided by the Company to each laid off employee;
- (b) Upon being laid off, an employee will be provided an employment application form;
- (c) The Company will notify the appropriate local Union(s) of any new employment opportunities as soon as practicable prior to hiring with monthly updates;
- (d) Each Plant Human Resources Department will prepare a listing of former employees on layoff and their general skills. Such listing will be supplied to all plants and local Unions in the geographic area. The Company shall accept application from the laid off employees, and forward them to the plant that the laid off employee has designated on the application form.

If an eligible laid off person is subsequently hired by the Company at another Works:

- (e) He/she will be granted service for purposes of Pension, Group Insurance, Vacation Entitlement and Supplementary Unemployment Benefit Plan credits, provided such person successfully completes the normal probationary period in effect at the new Works and is a member of the U. S. Steel Canada, Inc. Retirement Plan for Local 1005 Members at Hamilton Works.
- (f) For those employees hired on or after October 15, 2011, he/she will be granted Credited Service for purposes of Paragraph 4 of the Group RRSP (referred to in Item 26) and service for purposes of Group Insurance, Vacation Entitlement and Supplementary Unemployment Benefit Plan credits, provided such person successfully completes the normal probationary period in effect at the new Works.

It is understood and agreed that an employee who fails to waive his/her recall entitlement to his/her former Works before the completion of his/her probationary period will be terminated, and ineligible for any further consideration in accordance with these provisions. Where an employee has waived his/her recall entitlement during his/her probationary period, and is subsequently terminated by the Company prior to the completion of such probationary period, the employee's waiver of recall entitlement to his/her former Works shall be declared null and void.

Transfer of Operations

It is further understood and agreed that employees at a Works who are laid off as a result of the transfer by the Company of equipment from one Works to another or whole employment with the Company is terminated as a result of a sale of part of the business, will be given preferential consideration for new employment in accordance with the above provisions.

In the event of the future hire of such person in accordance with these and the above provisions, full Company service will additionally be provided for the sole purpose of determining the period of recall entitlement, should such person be laid off from the new Works.

Relocation Assistance

The Company agrees to jointly investigate with the Union any entitlement that an employee may have, who is hired in accordance with the above provisions, for financial relocation assistance as a result of available Federal or Provincial Programs.

ITEM 24 LETTER OF AGREEMENT RE: INTERPRETATION OF CLAUSE 7.02

The Company and the Union have agreed as follows:

1. The service and employment of an employee who is absent from work due to a disability, regardless of whether it is compensable under the Workplace Safety & Insurance Act or not, will be terminated in accordance with Clause 7.02 when he/she is laid off for lack of work.
2. Such former employee will be entitled to recall in accordance with Clause 7.03 and if so recalled, will be deemed to be rehired provided that:
 - (a) if he/she is unable to report for work within the prescribed period due solely to being disabled with the same disability which he/she was suffering at the date of his/her layoff and termination as provided in paragraph one above, and
 - (b) if such disability is compensable under the Workplace Safety & Insurance Act for the period in respect of which temporary total or temporary partial disability payments are made under the said Act and providing he/she has not been so disabled for more than twelve (12) consecutive months since the month in which such disability began, or
 - (c) if such disability is not compensable under the Workplace Safety & Insurance Act, for the period in respect of which he/she is eligible for weekly indemnity benefits under the Group Insurance Program for such disability.
3. A former employee who is deemed to be recalled and rehired in accordance with the above provisions, will be deemed to be an employee for all purposes of the Agreement for an Insurance Program and the Agreement for a Pension Plan.

4. The provisions of Clause 7.02(f) shall not be affected by changes in the Workplace Safety & Insurance Act.

ITEM 25
RE: UTILITIES RESTRUCTURING

The Parties recognize that the Utilities Department, specifically, the former occupation(s) Operating (Stationary) Engineer presents a unique situation with regards to incorporating such into the new job descriptions and the new Lines of Progression. As such, the Parties agree to the following:

1. Incumbent employees to the Utilities Department who possess a 3rd Class Operating (Stationary) Engineer Ontario Certificate of Qualification will be paid Job Level 7 and may be required to operate any equipment as determined by the Company.
2. Incumbent employees to the Utilities Department who possess a 4th Class Operating (Stationary) Engineer Ontario Certificate of Qualification will be paid Job Level 4 and may be required to operate any equipment as determined by the Company. However, as an exception, an employee who possesses a 4th Class Operating (Stationary) Engineer Ontario Certificate of Qualification and who successfully completes the “IMT/Purge/Gas Testing” qualification, will be paid Job Level 5.
3. It is understood the Company will determine the appropriate number of employees required to possess the “IMT/Purge/Gas Testing” qualification. The Company will review the required number of employees with the Utilities standing committee provided for in Section 16.04 (b).
4. The job description for those employees with a 3rd or 4th Class Operating (Stationary) Engineer Ontario Certificate of Qualification is:

Operates and is responsible for an operating unit which requires the applicable Ontario Certificate of Qualification (such as Boiler / Power Stations, Precipitator Operator, etc.) or assists in the operation of other producing units as required. Directs other operating and support crew members, performs administrative duties and communicates with maintenance as required to maximize production. Performs and assists in production and maintenance tasks and functions necessary to assure maximum production, quality and inspection. Performs or leads maintenance activities as required with operating crew members and coordinates and works in conjunction with Industrial Maintenance (Electrical & Mechanical).

5. The Parties have agreed to a new Line of Progression (LOP) for the Utilities Department. It is recognized that advancement is based solely on qualifications. It is expressly understood that any prior practice contrary to advancement based solely on qualification is null and void.
6. In the event of a force reduction where an employee in the Utilities Department is displaced from his/her Department, the aforementioned pay rates will not be applicable and the employee will be paid the corresponding rate to the job being performed.

ITEM 26
LETTER OF AGREEMENT
RE: GROUP RRSP

1. Employees hired on or after October 15, 2011 are not eligible to participate in the U. S. Steel Canada, Inc. Retirement Plan for Local 1005 Members at Hamilton Works (the “Plan”).
2. The definition of “employee” in Section I of the Plan will be amended to exclude any employee hired on or after October 15, 2011.
3. A new group registered retirement savings Plan (“Group RRSP”) will be established by the Union for employees hired on or after October 15, 2011. The Company’s contribution to plan shall be fixed at \$2.65 per hour with no further obligation or liability of any kind for funding or pension benefit payments or for the establishment or administration of the plan. The Company will not be the legal sponsor or administrator of the Group RRSP.

Hours for which contributions will be made shall include:

- a) Hours worked by Covered Employees.
- b) Hours for which Covered Employees were paid because of vacation, holiday, jury duty, or bereavement leave, and hours spent on Local 1005 union business, whether paid by the Company or not.
- c) Hours for periods on lay-off up to a maximum of 35 weeks, during which time the employee will be deemed for this purpose alone to have worked forty (40) hours per week.
- d) Hours for absences during which the Covered Employee:
 - i) Is receiving WSIB compensation or Weekly Indemnity benefits.
 - ii) Is on leave of absence for military service as set forth in the Employment Standards Act.
 - iii) Is on leave of absence for maternity / parental leave.

Such absences, specified in this paragraph 4 (d), will be credited as contributory hours at the rate of up to forty (40) hours per week

4. For those employees hired on or after October 15, 2011 and subject to the provisions of Item 26, where the term “Credited Service” is used in the Basic Agreement, it means an employee’s “Credited Service” as it would be determined for pension eligibility purposes under the Plan, notwithstanding whether the employee is a participant in the Plan.

5. It is expressly understood that any former employee who is re-hired by the Company on or after October 15, 2011 will only be eligible to participate in the Group RRSP provided he/she is not in receipt of a monthly pension from the Plan and under no circumstances will any employee be entitled to continue to accrue additional Credited Service under the Plan.

6. Employees who achieve forty (40) years' service in the Plan shall no longer accrue service in the Plan, but shall be eligible to participate in the Group RRSP, provided, however, that no employee shall be entitled to commence receiving a pension from the Plan until the employee ceases employment.

SUPPLEMENTARY

UNEMPLOYMENT

BENEFIT PLAN

DATED

July 1, 2017

BETWEEN

STELCO INC.,

Hamilton Works

(Hereinafter referred to as Hamilton Works or the "Company")

- AND -

LOCAL UNION 1005

**United Steel, Paper and Forestry, Rubber,
Manufacturing, Energy, Allied Industrial and
Service Workers International Union**

**(Hereinafter referred to as the United Steelworkers or the "Union"),
representing a unit of employees at
Hamilton Works**

ARTICLE I DEFINITIONS

The following terms, wherever used in this Agreement, shall have the meanings set forth below:

- (a) "Basic Agreement" means the collective bargaining agreement between the parties hereto relating to wages and other terms and conditions of employment, which may be in effect at the particular time.
- (b) "Plan" or "Supplementary Unemployment Benefit Plan" means the "Hamilton Works Supplementary Unemployment Benefit Plan for Bargaining Unit Employees" set forth in Appendix "A" hereto.
- (c) "Employee" or "Employees" shall have the same meaning as in the Basic Agreement.
- (d) "Trustee" shall have the same meaning as in the Plan.
- (e) "Fund" means the "Hamilton Works Supplementary Unemployment Benefit Plan Trust Fund".
- (f) "Net Worth" shall have the same meaning as in the Plan.

ARTICLE II PLAN

- (a) The Plan, which became effective on April 1, 1969, and which has been amended from time to time to July 31, 2002, shall be and is hereby further amended effective July 1, 2017, so as to read as set forth in Appendix "A" hereto and forming a part of this Agreement, subject to obtaining and retaining the approval of the appropriate authorities as specified in the Plan.
- (b) The Hamilton Works Supplementary Unemployment Benefit Plan shall be available to all employees who are eligible according to its terms.
- (c) It is understood and agreed that the Hamilton Works Supplementary Unemployment Benefit Plan may be made available by the Company to other persons eligible according to its terms, who are employed by Hamilton Works, or its associated companies in Canada.

ARTICLE III GENERAL PROVISIONS

- (a) Not later than the fifteenth (15th) day of each month, the Trustee shall furnish to the Company a statement showing the Fund receipts and amounts, if any, paid from the Fund, during the preceding month. The Company shall furnish a copy of such statement to the Union.
- (b) Each year, not later than the fifteenth (15th) day of February, the Trustee shall furnish the Company with a statement showing the Net Worth of the Fund as of the close of the last

business day of the preceding year and the amounts paid from the Fund during the preceding year. The Company shall furnish a copy of such statement to the Union.

- (c) In the operation of the Plan, statistics and information will not be kept separately for particular groups of persons.
- (d) The Company will designate a representative who will be available to discuss and review the statement referred to in (b) above with a designated representative of the Union.
- (e) The Union agrees that, during the term of this Agreement, neither it nor its representatives will cause or sanction a slowdown, strike or other stoppage of or interference with work arising out of or conducted in connection with any effort to induce modification of or amendments or addition to the Supplementary Unemployment Benefit Plan provided for by this Agreement or the terms or conditions under which its benefits are provided.
- (f) Nothing contained in this Agreement or the Plan shall be deemed to give an employee the right to be retained on the payroll of the Company, or shall interfere with the right of the Company to terminate the employment of an employee.
- (g) No matter respecting this Agreement or the Plan or any difference arising thereunder shall be subject to the grievance or arbitration procedure established in the Basic Agreement.
- (h) In the event that during the term of this Agreement the Company's contribution to the Supplementary Unemployment Benefit Plan shall not be required in accordance with the provisions of Article III, Clause 3.01 or shall terminate in accordance with Article VII, Clause 7.03, such contributions as would otherwise be made shall be accumulated by the Company and the total monthly contribution or the remainder thereof shall be transferred to the "Hamilton Works In Trust Insurance Program Account" when required by the Company. In the event that the Company does not transfer such accumulated contributions, in whole or in part, then such accumulated contributions or balance thereof may be used for any other purpose as the Parties may agree at the termination date of this Agreement.

ARTICLE IV DURATION & TERMINATION OF PLAN

The Plan as set forth in Appendix "A" hereto shall remain in full force and effect until June 30, 2022, and shall thereafter continue for a further period of one (1) year unless during the one hundred and ten (110) day period immediately preceding the expiration date, either party shall give written notice to the other that it desires revisions or termination of the Plan at its expiration date. Where notice of revision is given, negotiations shall commence during the ninety (90) day period immediately preceding the expiration date.

IN WITNESS WHEREOF the parties have caused their names to be subscribed to this Agreement by their duly authorized representatives this ____ day of _____, 2019.

For:

For:

Stelco Inc.
Hamilton Works

Local Union 1005
United Steel, Paper and Forestry, Rubber
Manufacturing, Energy, Allied Industrial
and Service Workers International Union

G. Howe
R. Wells
D. Van Meer
A. McLaughlin
J. McColl
T. Walsh

APPENDIX “A”

ARTICLE I DEFINITIONS

- 1.01** (a) Agreement for a Supplementary Unemployment Benefit Plan shall mean the agreement between the Company and Local Union 1005, United Steelworkers, with respect to this Plan.
- (b) Applicant shall mean a former Employee whose service and employment were terminated when he was temporarily laid off for lack of work and who is entitled to recall in accordance with the Basic Agreement.
- (c) Basic Agreement shall mean the collective bargaining agreement relating to wages and other terms and conditions of employment which may be in effect at the particular time between the parties signatory to the Agreement for a Supplementary Unemployment Benefit Plan.
- (d) Company shall mean Stelco Inc., Hamilton Works.
- (e) Credit Point shall have the same meaning as specified in the Plan.
- (f) Day shall mean calendar day unless otherwise specified.
- (g) Employee shall mean any hourly rated person who is regularly employed by the Company (or by such of its subsidiary or associated companies as may, from time to time, be permitted by the Company to participate in the Plan as employers) and who is represented by a Union with which an Agreement for Supplementary Unemployment Benefit Plan has been executed.
- (h) Financial Position shall have the same meaning as specified in the Plan.
- (i) Fund shall mean the Hamilton Works Supplementary Unemployment Benefit

Plan Trust Fund.

- (j) Maximum Funding Position shall have the same meaning as specified in the Plan.
- (k) Month shall mean calendar month unless otherwise specified.
- (l) Net Worth shall mean the difference between the total assets and the total liabilities of the Fund at any given time.
- (m) Person shall mean either an Applicant or an Employee as defined hereto.
- (n) Plan shall mean this Hamilton Works Supplementary Unemployment Benefit Plan as amended or modified from time to time.
- (o) Plant shall mean a location of the Company identified as having Employees who are covered by this Plan.
- (p) Public Funds shall mean any money made available by the Government, either federal, provincial or municipal, or any agency of such governments.
- (q) Service shall mean service as defined by the Basic Agreement and is synonymous with seniority.
- (r) Straight time hours worked shall mean all hours for which an Employee actually performs work for the Company and for which he is compensated at the regular rate of pay as prescribed by the Basic Agreement.
- (s) Trustee shall mean the Trustee of the Fund.
- (t) Employment Insurance Act shall mean the Employment Insurance Act that may be in force and effect as amended from time to time, and the Benefits then applicable.
- (u) Employment Insurance Benefit shall mean the benefit paid, pursuant to the Employment Insurance Act, to persons on account of their unemployment.
- (v) Union shall mean Local 1005 of the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (formerly known as United Steelworkers of America), which is currently signatory to the Basic Agreement with the Company.
- (w) Week shall mean calendar week unless otherwise specified.
- (x) Weekly Benefit shall mean the Weekly Benefit as specified in this Plan.
- (y) Year shall mean calendar year unless otherwise specified.
- (z) All hours worked shall mean all hours for which an Employee actually performs work for the Company and for which he is compensated and shall include work

performed and paid for at overtime rates and work performed on statutory holidays in accordance with the provisions of the Basic Agreement.

ARTICLE II GENERAL PROVISIONS

2.01 Establishment of Fund

The Company shall establish a Fund, in accordance with the Plan, with a trust company or companies selected by the Company as Trustee to hold and invest the Fund and to make payments out in accordance with the provisions of a trust agreement to be entered into in connection with this Plan. The Company's contributions shall be made into the Fund and the Company's liability for benefits is limited to the ability of the Fund to meet the payment of all benefits and expenses associated with the administration of this Fund.

2.02 Maximum Funding

A maximum funding position of the Fund shall be established for each calendar month.

The Maximum Funding Position shall be two million dollars (\$2,000,000).

2.03 Fund's Financial Position

A financial position of the Fund shall be calculated each calendar month. The Company shall determine this Financial Position by dividing the Net Worth of the Fund as of the last business day of the preceding calendar month by the Maximum Funding Position for such month as determined in 2.02 above. This quotient is to be expressed as a percentage. The Financial Position calculated for each calendar month shall relate to each week ending in that calendar month for the purposes of applying the benefit level as set forth in Article IV and the credit point cancellation as set forth in Article V.

2.04 Adjustments for Errors

Neither the Maximum Funding Position nor the Financial Position are to be adjusted retroactively due to any error which may be discovered in the computations or data used in making the computations. Any error discovered, will be corrected in the next month's computations.

ARTICLE III CONTRIBUTIONS TO THE FUND

3.01 Contributions by the Company

The Company shall make a contribution to the Fund equal to ten cents (\$0.10) multiplied by the total number of all hours worked by each Employee during the preceding months, or such lesser amount as will bring the Net Worth of the Fund up to the Maximum Funding Position as provided in Clause 2.02.

The Company shall not be required to make any contributions to the Fund with respect to any month for which the Financial Position equals or exceeds 100%.

3.02 Payment of Contributions

Such contributions as are required by this Plan to be made to the Fund by the Company shall be made monthly and shall be made prior to the end of the month following the month for which the calculation was made.

ARTICLE IV WEEKLY BENEFITS OF THE PLAN

4.01 Weekly Benefits

Provided there are sufficient monies in the Fund, the Weekly Benefit payable to an eligible Applicant shall be two hundred (\$200) for each week in the calendar month for which the weekly benefit is claimed. In any week the combined weekly payments received from the plan and the weekly rate of unemployment insurance benefits do not exceed 95 per cent of the employee's weekly earnings.

Any payments in respect of guaranteed annual remuneration or in respect of deferred remuneration or severance pay benefits are not reduced or increased by payments received under this plan.

4.02 Effect of Low Financial Position of Fund

Where the current Financial Position of the Fund is less than four (4) percent of the maximum deficit financed, there shall be no Weekly Benefit paid to an eligible Applicant.

4.03 Reduction of Weekly Benefit

The Weekly Benefit shall be reduced by the amount of any Public Funds received or receivable for which an Applicant may be eligible in respect of his unemployment during the week for which he is claiming a benefit under this Plan, with the exception of welfare payments duly authorized by the General Welfare Assistance Act (Ontario), or any equivalent legislation in other Provinces and the Employment Insurance Benefits.

The Employment Insurance Benefit which would have otherwise been payable to the Applicant shall be determined in accordance with the Schedule of Rates of Benefit provided in the Employment Insurance Act based upon the Applicant's last contribution paid to the Employment Insurance Fund while he was an Employee of the Company.

4.04 Deductions from Benefits

The Company or the Trustee shall deduct from any Weekly Benefit under this Plan all sums of money required to be withheld by reason of any law or regulation for payment of taxes or otherwise to any federal, provincial or municipal government.

4.05 Cessation of Benefits

A Weekly Benefit shall cease upon the date that the Applicant is required by the Company to

report for work when notified of his recall from layoff.

ARTICLE V DURATION OF WEEKLY BENEFITS

5.01 Duration

The number of weeks for which an eligible Applicant shall receive Weekly Benefits shall be determined by the number of Credit Points which he has accumulated. The maximum number of weeks which an Applicant may draw Weekly Benefits is fifty-two (52) weeks during any twelve (12) consecutive calendar months.

5.02 Credit Points

- (a) Credit Points are to be used for the sole purpose of determining the duration of Weekly Benefits of an Applicant, but shall have no fixed value in terms of either time or money.
- (b) Credit Points shall be credited to an Employee at the rate of one (1) Point for each forty (40) straight time hours worked commencing on or after January 1, 1968, provided, however, that an Employee:
 - (i) may not have to his credit more than fifty-two (52) Credit Points at any one time; and
 - (ii) shall not be credited with any Credit Points prior to the first day he completes eighteen (18) months of Service.

5.03 An Applicant shall have deducted from his credit one (1) Credit Point for each Weekly Benefit payable to him.

5.04 Forfeiture of Credit Points

Any Person covered by this Plan shall forfeit permanently all Credit Points which he has to his credit under this Plan if he:

- (a) has his service and employment terminated for any reason other than layoff, or
- (b) while on layoff has his entitlement to recall terminated in accordance with the Basic Agreement, or
- (c) wilfully misrepresents any fact in connection with an application by him for a Weekly Benefit under the Plan.

ARTICLE VI ELIGIBILITY FOR BENEFITS

6.01 Application for Benefits

An Applicant to be eligible must make application for a Weekly Benefit in the manner prescribed hereunder and must meet the eligibility requirements in 6.03.

6.02 The Company shall have the right to establish reasonable rules, regulations and procedures concerning the time and place at which an Applicant shall report in order to comply with the eligibility requirements and concerning the form, content and substantiation of Weekly Benefits.

- (a) For any week of qualifying layoff an Applicant must apply for each Weekly Benefit that he may claim under this plan within five (5) days following receipt of his Employment Insurance Benefit for such week. The Employment Insurance Benefit shall be presumed to have been received by the Applicant on the date following the date set forth on the cheques therefore, or on the date of the copy of the pay receipt of similar document.
- (b) An Applicant must report in person to make initial application for a Weekly Benefit at the location designated by the Company. For any subsequent week during the same continuous period of layoff, such Applicant may apply for his Weekly Benefit, either in person or by mail, as determined by the Company.
- (c) An Applicant shall be required to produce evidence satisfactory to the Company:
 - (i) that he has received payment of an Employment Insurance Benefit for the week for which he is claiming a Weekly Benefit under this Plan, or
 - (ii) that he was not eligible to receive an Employment Insurance Benefit for the week for which he is claiming a Weekly Benefit under this Plan solely due to the reasons set forth in Clause 6.03 (c);
 - (iii) of the amount earned from all sources during such week and the source thereof;
 - (iv) and such further evidence or additional information as the Company may deem necessary.

6.03 Eligibility - Weekly Benefit

An Applicant shall be eligible for a Weekly Benefit beginning with the first complete calendar week following the effective date of this Plan, provided that with respect to the week for which the Applicant is claiming such benefit he:

- (a) has a minimum of eighteen (18) months of service with the Company;
- (b) is on a qualifying layoff as provided in 6.04;

- (c) received an Employment Insurance Benefit in accordance with the Employment Insurance Act or was ineligible for an Employment Insurance Benefit due solely to:
 - (i) not having, prior to his layoff, a sufficient period of work in employment covered by Employment Insurance; or
 - (ii) the requirement to serve a two week waiting period prior to eligibility as stipulated in the Employment Insurance Act; or
 - (iii) the limitation under Employment Insurance on the period of time for which Employment Insurance Benefits are payable to the applicant;
- (d) has to his credit at least one (1) Credit Point to be cancelled in accordance with 5.03;
- (e) has not refused an offer of available work when recalled by the Company in accordance with the Basic Agreement and reports for work on the date required by the Company;
- (f) was not serving in Her Majesty's Armed Forces of Canada;
- (g) was not eligible for and was not receiving any accident or sickness or other disability benefit (other than a survivor's allowance or a disability benefit under Workers' Compensation laws or other laws which he received while in active employment with the Company prior to layoff) whether publicly or privately financed, or a Company financed pension or retirement benefit;
- (h) has registered at and complied with the regulations of the Employment Insurance Commission and has not failed or refused to accept employment deemed suitable by the Employment Insurance Commission.

6.04 Layoff Provision

- (a) Except as provided in (b) hereof, an Applicant shall be considered to be on a qualifying layoff when he is not required by the Company to work and does not perform any work in a week, commencing on or after the week following the week in which this Plan becomes effective, because he was temporarily laid off work in accordance with the seniority provisions of the Basic Agreement.
- (b) An Applicant shall not be considered on a qualifying layoff for purposes of Clause 6.04 (a) when work is not available to him as a consequence of:
 - (i) disciplinary reasons, or
 - (ii) any strike, slowdown, work stoppage, or any dispute of any kind, by any Employees or any other person employed by the Company, or any picketing (whether or not by Employees), at any Company Plant or Plants which interferes with production at that, or at any other Plant of the Company, or

- (iii) sabotage or insurrection, or
- (iv) any act of God, or
- (v) any war or hostile act of a foreign power, or
- (vi) any fault attributable to the Applicant.

6.05 Administrative Delays - Employment Insurance Benefits

- (a) With respect to any week for which an Applicant has applied for a Weekly Benefit under this Plan and for which his claim for an Employment Insurance Benefit has been denied and has been appealed in accordance with the Employment Insurance Act, the Weekly Benefit which would otherwise be payable to him shall be set aside from the Fund pending final disposition of the Applicant's Unemployment Insurance claim appeal, and
- (b) If the Employment Insurance Benefit claim is subsequently paid to the Applicant, the money set aside from the Fund as a contingent liability upon the Fund shall be paid to such Applicant and one Credit Point cancelled, provided, however, he has to his credit one Credit Point required to be cancelled in accordance with Clause 5.03 at the time such Weekly Benefit is paid.

ARTICLE VII EFFECTIVENESS AND CONTINUATION OF THE PLAN

7.01 Income Tax Rulings

The Company shall not be required to make any contributions to the Fund or to make the Plan effective unless and until it shall have received from the Minister of National Revenue and any other applicable government authority, a currently effective ruling or rulings satisfactory to the Company declaring that all contributions to the Fund shall constitute a currently deductible expense under the Income Tax Act and under any other applicable income tax law, as now in effect or as may be hereafter amended or may hereafter become effective.

7.02 Employment Insurance Rulings

The Company shall not be required to make any contributions to the Fund or to make the Plan effective unless and until it shall have received a ruling or rulings satisfactory to it from the appropriate authority of the Canadian government that the Weekly Benefits will be permitted in accordance with the Employment Insurance Act without:

- (a) requiring additional payment of contributions to the Employment Insurance Fund either by the Company or any Employee participating in this Plan, and
- (b) affecting the entitlement of or level of payment to an applicant for Employment Insurance Benefits.

7.03 Revocation or Modification of Rulings

Upon revocation or upon modification in such a manner as to be no longer satisfactory to the Company of any of the above rulings or approvals in this Article, no further contributions shall be made to the Fund and all obligations of the Company under the Plan shall cease and the Plan shall thereupon terminate and be of no further effect.

The Company shall notify the Union and shall meet with the Union representative and endeavour to modify the Plan to the extent necessary to obtain renewal of the above-mentioned rulings or approvals satisfactory to the Company. If such rulings and approvals are obtained, the Plan as amended shall become effective as of the date of such rulings and approvals. If, however, at the end of thirty (30) days from the date of the Company's notification no renewal has been obtained, the assets of the fund shall be disposed of as set forth in Clause 7.05.

7.04 Withholding Requirements

If the Company shall be required at any time to withhold any amount from any contribution to the Fund by reason of any federal, provincial or municipal law or regulation, the Company shall have the right to deduct such amount from such contribution and to pay only the balance to the Fund.

7.05 Termination of Plan

Upon termination of the Plan:

- (a) Any Weekly Benefit liability incurred prior to the date of termination which has not, as of this date, been discharged, will be met only to the extent that the then Net Worth of the Fund (including any outstanding contributions) is able to meet such liability, and pay all other expenses arising out of the administration of this Plan.
- (b) Any assets remaining after the application of (a) above, shall revert to the Company.

ARTICLE VIII ADMINISTRATION

8.01 The Company shall have the exclusive right to administer this Plan, including but not limited to the right to establish reasonable rules, regulations and procedures, to use customary accounting techniques and to make all appropriate determinations pursuant to this Plan. The Company will inform the Commission of any change to the Plan within thirty (30) days after the effective date of the change.

8.02 The Company shall be reimbursed each year for the cost, if any, of forms and stationery supplies, banking and auditing fees, and all calculation charges. The Company shall submit an itemized statement to the Trustee (a copy of which will be sent to the Union) at the end of each year of the costs incurred and shall be reimbursed from the Fund for that year.

The Company will inform the Commission of any change to the plan within thirty (30) days after the effective date of the plan.

ARTICLE IX

APPEAL PROCEDURE

9.01 Board of Appeal

There shall be established a Board of Appeal, herein after called the "Board" consisting of one Company representative and one Union representative.

9.02 First Step

- (a) An Applicant who alleges he was incorrectly determined ineligible for a Weekly Benefit under the Plan or the amount of the Weekly Benefit paid was incorrect, may file an appeal in writing to the Human Resources Department in an attempt to settle such allegation. The written appeal shall state full particulars of the allegation and shall be signed by the aggrieved Applicant.
- (b) The Human Resources Department shall give a written decision within seven (7) days of the date that the appeal was filed. An appeal not adjusted at this step may be appealed to the Second Step.

9.03 Second Step

- (a) Notice of appeal must be given in writing within five (5) days of the date of the written decision at First Step to the Board. The Board shall meet within seven (7) days and attempt to resolve the appeal submitted. Within seven (7) days after the date of such meeting the Board shall notify the parties hereto in writing of their agreement or failure to reach agreement. An agreement reached by the Board shall be final and binding.
- (b) Where the Board so notifies the parties hereto to the effect that no agreement has been reached, the Union may, within three (3) days of the date of such written notification, notify the Company in writing of its intention to submit the appeal to a Board of Arbitration. Such notice shall set forth the facts to be relied upon and the provisions of the Plan which are alleged to have been violated.

9.04 Only an appeal, filed in writing within seven (7) days of the mailing to an Applicant of either (i) a notice of denial of his claim, or (ii) a cheque for a Weekly Benefit, may be submitted under this Article IX.

9.05 Appeals which are not presented or processed within the time limits specified in Article IX shall not be processed through the appeal procedure without the consent of the Company and in any event are not arbitrable.

9.06 The appeals procedure set forth in this Article shall not be used to protest or appeal a

denial of an Employment Insurance Benefit.

9.07 Arbitration

Only an appeal which has been properly filed and processed in accordance with the provisions of this Article IX may be referred to arbitration as provided hereunder.

9.08 Board of Arbitration

The Board of Arbitration shall consist of the Company representative on the Board of Appeal, the Union representative on the Board of Appeal and a third person selected by them to act as Chairman.

9.09 Where the two representatives to the Board of Arbitration fail to agree on the selection of a chairman within seven (7) days of the date of notice of the appeal being referred to arbitration, an appointment shall be made by the Minister of Labour for the Province upon the request of either representative.

9.10 (a) The decision of the Board of Arbitration shall be final and binding upon any person concerned and upon both parties. The decision of a majority is the decision of the Board of Arbitration, but if there is no majority the decision of the Chairman governs. There shall be no appeal from the decision of a Board of Arbitration.

(b) The Board shall not have any authority to alter, modify or change any of the provisions of this Plan, or to substitute any new provisions in lieu thereof, or to give any decision contrary to the terms and provisions of this Plan, and shall have no jurisdiction other than to determine, in accordance with the provisions of this Plan;

(i) whether the appeal was filed and processed within the time and in the manner specified in this Article;

(ii) whether the Applicant is eligible with respect to the Weekly Benefit claimed;

(iii) the amount of any Weekly Benefit payable.

9.11 Expenses and Remuneration - Board Chairman and Representatives

(a) The Union and the Company shall each pay one half of the remuneration and expenses of the Chairman of the Board of Arbitration.

(b) The Union representative and the Company representative on the Board of Appeal and the Board of Arbitration shall serve without recompense from the Fund established under this Plan.

9.12 A Board of Arbitration and the Board of Appeal shall have no jurisdiction to determine questions arising under the Basic Agreement, even though relevant to the appeal before the Boards. All such questions shall be determined through the regular procedures provided therefore by the Basic Agreement and all determinations made pursuant to such

Basic Agreement shall be accepted by the Boards.

ARTICLE X MISCELLANEOUS

10.01 Liability

The provisions contained in this Plan express completely all obligations of the Company with respect to the financing of the Plan and providing for benefits and payments.

10.02 Management Functions

Neither the rights of an Employee to employment nor the Company's right to discipline or discharge shall be enlarged or limited by reason of any provision of this Plan. Nothing contained herein shall be deemed to qualify, limit or alter in any manner the Company's authority to manage the Company as provided in Clause 4.01 of the Basic Agreement.

10.03 Status of Persons Receiving Benefits Under the Plan

Neither the Company's contributions nor any Weekly Benefit paid under the Plan shall be considered a part of any Employee's earnings for any purpose. A person by reason of receiving a benefit does not have his status as a former Employee under the Basic Agreement amended or changed in any way. Nor shall he thereby acquire any right to participate in, accrue credits or receive benefits under any other employee benefit plan to which the Company contributes, than he would otherwise be entitled to were he not receiving any Weekly Benefit under this Plan.

10.04 Non-Alienation of Benefits

No Weekly Benefit shall be subject in any way to alienation, sale, transfer, assignment, pledge, attachment, garnishment, execution or encumbrance of any kind and any attempt to accomplish the same shall be void.

10.05 No Vested Interest

No person shall have any right, title, or interest in or to any of the assets of the Fund or in or to any Company contribution thereto.

10.06 To Whom Benefits Are Payable

Weekly Benefits shall be payable under this Plan only to the person who is eligible therefore, except where the Company;

- (a) finds that such person is deceased, in which event, such Weekly Benefit, which is payable with respect to the period of qualifying layoff immediately preceding the week in which such person died, may be paid to one or more of his heirs, testamentary legatees, beneficiaries, executors or administrators as the Company

may decide; or

- (b) receives evidence satisfactory to it that such person is unable by reason of physical or mental infirmity arising from any cause whatsoever to receive such payment or to give valid release therefore and there is no guardian, committee or other representative legally responsible for the estate of such person, in which event such Weekly Benefit, which is payable with respect to the period of qualifying layoff immediately preceding the week in which such person became disabled, may be paid as the Company may decide, to any member of the family of such person or to any other person who is managing the affairs of such person or is then maintaining such person in trust; and the release of the person to whom such payment is made in trust shall be a valid and complete discharge of such payment.

10.07 Method of Payment

Weekly Benefits will be paid in the third week following the week in which this Plan becomes effective and on every second week thereafter and shall be for the two-week period preceding the week in which payment is made.

10.08 Overpayment - Weekly Benefits

If the Company determines that any Benefits paid under the Plan should not have been paid or should have been paid in a lesser amount (as the result of a subsequent disqualification for Employment Insurance Benefits or otherwise), written notice thereof shall be mailed to the recipient and he shall return the amount of overpayment to the Trustee. If such recipient shall fail to return such amount promptly, the Trustee shall arrange for the amount of the overpayment to be reimbursed to the Fund by making a deduction from future Benefits otherwise payable to such recipient or by requesting the Company to make a deduction from compensation otherwise payable to him, or both. The Company may make such deductions from the Employee's compensation and in such event shall pay the amount deducted to the Trustee. At such time as such overpayment is recovered by the Fund, the number of Credit Points, if any, theretofore cancelled with respect to such overpayment of Benefits shall be restored to such Employee, subject to the provisions of Article V.

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