

COLLECTIVE  
AGREEMENT

**June 28, 2014**

BETWEEN

STELCO INC.  
PICKLE LINES

AND

UNITED  
STEELWORKERS  
LOCAL 8782

DRAFT

COLLECTIVE AGREEMENT  
BETWEEN  
STELCO INC. – PICKLE LINES  
(Hereinafter Called The “Company”)  
AND  
UNITED STEELWORKERS  
(Hereinafter Called The “Union”)

**ARTICLE 1 – PURPOSE**

- 1.01 It is the general purpose of this Agreement to establish and maintain the mutual interests of the company, its employees, and the Union and to set forth the agreed upon working conditions, hours of work and wages for all employees who are subject to the provisions of this Agreement and to provide for the prompt equitable disposition of grievances.
- 1.02 In recognition of the desirability of maintaining the co-operative working relationship and 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 will be held by a Committee hereinafter referred to as the Senior Level Committee. The Senior Level Committee will consist of not more than ten (10) persons, four (4) of whom shall consist of Senior Works Management and four (4) of whom shall represent the Executive of the Union at Lake Erie Works. In addition, there shall be one (1) representative of the Senior Pickle Lines Management and one (1) representative of the Executive of the Union for the Pickle Lines. The Local Union Staff Representative may attend in addition to the Union members.
  - (b) Such meetings will be held on a regular basis as mutually agreed to by the parties, but in any event will not be less frequent than six (6) times per calendar year. Meetings will be convened at the request of either party at a mutually convenient date and time to deal with urgent matters.
  - (c) The purpose of such meetings will be to discuss matters arising out of the administration of the Collective Agreement, as well as other matters of mutual concern affecting the interests of the Company and the Employees, with specific reference to the subjects listed in Letter of Understanding “P”. It is understood, however, that such meetings are not intended to replace nor interfere with the established Collective Bargaining procedures, the provisions of the Collective Agreement, the Grievance procedure or other established procedures for administration of the Collective Agreement.

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

## **ARTICLE 2 - RECOGNITION AND SCOPE**

- 2.01 The Company recognizes the Union as the sole and exclusive certified collective bargaining agent for all the production and maintenance employees of Stelco Inc. - Pickle Lines within the former City of Nanticoke, with the boundaries that were in effect prior to the amalgamation of January 1, 2001, 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.
- 2.02 Any Collective Agreements for future divisions of Stelco Inc. – Pickle Lines in the former City of Nanticoke, within the boundaries that were in effect prior to the amalgamation of January 1, 2001 will be negotiated to reflect the operational requirements of any such future division.
- 2.03 Any changes or amendments to this Agreement during its term shall be incorporated only by mutual agreement between the Company and the Union.
- 2.04 When either the feminine or masculine gender is used the opposite gender may be substituted. Terms importing the singular shall be deemed to include the plural unless the context requires otherwise.
- 2.05 The term "Employee" or "Employees" whenever herein used shall mean only those employees within the bargaining unit as described above.
- 2.06 Persons, who are not members of the Bargaining Unit, shall not perform any work on any jobs, which are included in the Bargaining Unit. It is understood the non-Bargaining Unit personnel may perform Bargaining Unit work in the case of emergency, to provide instructions, for experimental purposes or in the event no qualified Bargaining Unit members are available.

## **ARTICLE 3 - MANAGEMENT FUNCTIONS**

- 3.01 The Union recognizes that the management of the Plant and the direction of the working forces are fixed exclusively in the Company and, without restricting the generality of the foregoing, the Union acknowledges that it is the exclusive function of the Company to maintain order and efficiency, to introduce new and improved methods or facilities, to hire, retire, promote, demote, classify,

transfer, layoff, recall and suspend, otherwise discipline or discharge employees for just cause, and to make and enforce and alter from time to time, reasonable rules and regulations to be observed by the employees, subject to the express provisions of this Agreement.

#### **ARTICLE 4 – RELATIONSHIP**

- 4.01 The Company agrees it shall not interfere with, restrain, coerce or discriminate against employees in their lawful right to become and remain members and officers of the Union and to participate in its activities.
- 4.02 The Company and the Union agree to observe the provision of the Ontario Human Rights Code.
- 4.03 The Union agrees that except as provided for in this agreement, there shall be no Union activity on the premises of the Company during the employees working hours except by agreement with the Company.
- 4.04 On the request of either party, the Company and the Union shall meet every two months, for the purpose of discussing issues relating to the workplace, which affect the parties or any employee bound by this Agreement. Any employee involved shall not suffer loss of regular scheduled earning as a result of attendance at these meetings.

#### **ARTICLE 5 - UNION DUES**

- 5.01 The Company shall deduct Union dues including, where applicable, initiation fees and assessments, on a bi-weekly basis, from the total earnings of each employee covered by this agreement. The amount of dues shall be calculated in accordance with the Union's constitution.
- 5.02 All dues, initiation fees and assessments shall be remitted to the Union forthwith and in any event no later than 15 days following the last day of the month in 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 office designated by the Area Coordinator.
- 5.03 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.

[c] This information shall be sent to both Union addresses identified in Article 5.02 in such form as shall be directed by the Union to the Company.

5.04 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 article.

5.05 The Company, when preparing T-4 slips for the employees, will enter the amount of Union dues paid by the employee during the previous year.

#### **ARTICLE 6 - STRIKES AND LOCKOUTS**

6.01 In view of the orderly procedure for settling grievances, during the term of this agreement, the Company agrees that there will be no lockout of employees and the Union agrees that there will be no strike action, slowdown, sit-down, or any other action that will interfere with work or production.

#### **ARTICLE 7 - UNION REPRESENTATION**

7.01 The Company acknowledges the right of the Union to appoint or otherwise select eight (8) shop stewards, which includes two (2) from maintenance, for the purpose of representing employees in the resolution of complaints or grievances

7.02 The Union shall keep the Company notified in writing of the names of the Stewards and the effective date of the appointment.

7.03 The Company agrees to recognize and deal with a Negotiating Committee from the Bargaining Unit of not more than three (3) employees along with a representative of the International Union. The company agrees to allow members of the Bargaining Unit Negotiation Committee to participate in negotiations without loss of pay from their regular work schedule.

7.04 The Company agrees that Stewards and Grievance Committee persons shall not suffer loss of pay for time spent during scheduled working hours, in the handling of grievances providing that permission is first obtained from their immediate Supervisor. Such permission shall not be unreasonably withheld.

7.05 The Company agrees to recognize and deal with a Union Grievance Committee of not more than three (3) employees.

7.06 The Company agrees that an employee shall have the right to have a Union representative present at the employee's discretion, for any meeting with management or a management representative.

## **ARTICLE 8 - GRIEVANCE PROCEDURE**

8.01 It is the mutual desire of the parties hereto that any complaint or grievance arising between an employee and the Company with respect to the application, interpretation or alleged violation of this Agreement shall be adjusted as quickly as possible.

8.02 It is generally understood that an employee has no grievance until he, either directly or through the Union, has first given his immediate Supervisor an opportunity to adjust the complaint.

8.03 If an employee has a complaint he shall discuss it with his immediate Supervisor within seven (7) calendar days after the circumstances giving rise to the complaint have occurred. The Supervisor shall have five (5) calendar days to respond to the complaint and failing settlement; it may be taken up as a grievance within two (2) calendar days of the Supervisor's decision.

STEP NO. 1 The grievance shall be submitted in writing to the Manager or his designate either directly or through the Union. The Plant Superintendent or his designate shall meet with the employee's Union Steward within three (3) calendar days of the receipt of the grievance in an attempt to resolve the grievance. The grievor may be present at this meeting if requested by either party. The Plant Superintendent or his designate shall, within a further three (3) calendar days, give his written answer to the grievance to the Union.

STEP NO. 2 If the grievance remains unsettled at the conclusion of Step No. 1, the grievance may be submitted by the Union within three (3) calendar days to the Manager of Human Resources or his designate, who shall within six (6) calendar days hold a meeting between the Union Grievance Committee and the appropriate representatives of Management, in a final attempt to resolve the grievance. A staff representative of the Union and the grievor may be present at this meeting if requested by either party. The Operations Manager or his designate shall within three (3) calendar days give his decision in writing to the Union.

The time limits, as provided in this article, may be extended by mutual agreement in writing, which will be dated and signed by the parties hereto.

8.04 Failing settlement under the foregoing procedure of any dispute between the parties arising from the interpretation or alleged violation of this agreement, such dispute may be submitted to arbitration as set forth in Article 10. If no written request for arbitration is received within thirty (30) calendar days after the decision under Step No. 2 is given, it shall be deemed to be settled.

- 8.05 The Union shall have the right to initiate a Group Grievance or a Union Policy Grievance within ten (10) days of the incident, at Step Two of the grievance procedure.

## **ARTICLE 9 - DISCHARGE & DISCIPLINARY ACTION**

- 9.01 A claim by an employee that he has been discharged or suspended, without just cause, shall be a proper subject for a grievance if a written statement of such grievance is lodged at Step 2 of the Grievance Procedure within ten (10) calendar days after the employee receives notice that he has ceased to work for the Company or returns to work after a suspension as the case may be.
- 9.02 In the case of discharge or suspension of an employee, the employee may, upon request to his immediate Supervisor, interview his Union Steward before leaving the plant in a place designated by the Company.
- 9.03 An employee will not suffer loss of seniority in the event of a suspension or if reinstated following discharge.
- 9.04 All notations on an employee's record, more than 24 months old shall not be considered in current disciplinary action, provided there have been no notations added during that period. Re-instructions will not be considered disciplinary action.
- 9.05 The Company may dismiss a probationary employee for any reasons provided it does not act in bad faith or in a discriminatory manner and this shall constitute a lesser standard for the purposes of Section 43.1 of the Labour Relations Act R.S.O. 1990.
- 9.06 The Company will provide an employee with 2 copies of the disciplinary action at the disciplinary meeting.

## **ARTICLE 10 – ARBITRATION**

- 10.01 A) The Arbitration Procedure incorporated in this Agreement shall be based on the use of a single Arbitrator.
- B) The parties shall then appoint a person to act as Arbitrator. If they are unable to agree upon the appointment of an Arbitrator within ten days after the notice is given, the Arbitrator shall be appointed by the Minister of Labour for Ontario at the request of either party.
- C) An Arbitration date must be established within thirty (30) calendar days from the time the Company or the Union was notified of the matter or the grievance will be considered resolved.

- 10.02 The Arbitrator shall not be authorized nor shall the Arbitrator assume authority, to neither alter, modify, or amend any part of this Agreement, nor make any decision inconsistent with the provisions there of, or to deal with any matter not covered by this Agreement.
- 10.03 The decision of the Arbitrator will be final and binding upon the parties hereto.
- 10.04 The parties hereto will jointly bear the fees and expenses of the single Arbitrator.
- 10.05 This provision applies if a difference arises between the parties relating to the interpretation, application or administration of this Agreement, including a question as to whether a matter is arbitrable. This provision also applies in case of an allegation that this Agreement has been violated.

#### **ARTICLE 11 - HOURS OF WORK AND OVERTIME**

- 11.01 The work week schedule will consist of five (5) eight (8) hour shifts, 4 (four) ten (10) hour shifts, or a twelve (12) hour shift schedule, as per Letter of Understanding "A". The pay week will start Sunday at 6:45 a.m. and end the following Sunday at 6:45 a.m.
- 11.02 Employees working eight-hour shifts will receive a thirty (30) minute lunch period and a fifteen (15) minute break. Employees working twelve-hour shifts will receive two thirty (30) minute lunches and a fifteen-minute break.
- 11.03 Employees working overtime for two (2) or more hours beyond their regular shift will be allowed a fifteen (15) minute rest period.
- 11.04 Overtime hours will be paid as follows:
- i) The rate of time and 1/2 will be paid for:
    - a) Hours in excess of the employees scheduled day or completed work week.
    - b) Unscheduled hours worked on a Sunday, when asked for by the Company, provided the employee works his regularly scheduled hours during that pay period and a minimum of thirty six (36) hours per work week.
  - ii) The rate of two times the regular rate will be paid for:
    - a) Unscheduled hours worked on a Company recognized statutory holiday.
    - b) The first 8 hours worked or any additional hours worked beyond the normal workday, on a Company recognized statutory holiday.
  - iii) Employees will be allowed to be absent one day per calendar year in order to continue to be eligible to be paid under i) and ii) above.

- iv) Any overtime hours worked shall not be offset by any change(s) in the employees regularly scheduled hours.
- 11.05 In the event that overtime is required, the Company shall make every effort to distribute overtime in accordance with the Letter of Understanding "C". No employee will be paid for work not performed.
- 11.06 Nothing in this Article shall be construed to mean a guarantee of hours of work per day or per week.
- 11.07 There will be no pyramiding of overtime rates.
- 11.08 Employees working overtime for four (4) or more hours without previous notice shall be entitled to a lunch allowance of nine (9) dollars.
- 11.09 In the event of a temporary shutdown (i.e. equipment breakdown, shortage of steel, etc.) bumping privileges within their respective crews, or onto a crew working the same hours as displaced employees would have been working, according to the schedule, will be allowed after the employee has lost all or part of one scheduled shift provided they are qualified.
- 11.10 An employee may give away any regularly scheduled premium time shift or may trade all or part of their regularly scheduled shift to qualified employees with the permission of their Shift Manager. Permission will be verified on a shift change form. The Company will not incur extra costs when employees trade or give away shifts.
- 11.11 It is the employee's responsibility to provide a Doctor's Note, stating that the employee is fit to return to work, prior to returning to work after being absent, due to sickness, for three (3) or more consecutive scheduled working days.
- 11.12 When an employee is injured at work and outside medical treatment is deemed necessary by the Company, it will provide transportation to the nearest hospital for the purpose of medical examination or treatment and return transportation to the plant or employee's home address as appropriate.
- 11.13 A) The Company will post or otherwise make known to employees the following weeks' work schedule by Thursday at 2:00 p.m.
  - B) Where employees' schedules are changed, the Company will endeavour to advise the employees at the earliest practicable time.
  - C) If the work schedule is changed after Thursday 2:00 p.m. then the employee affected shall receive time and one half on the employee's first scheduled shift provided the employee works. If the employee's first scheduled shift is a statutory holiday then the employee will receive time and one half pay for his second scheduled shift that week.

This provision shall not apply when any change in schedule is due to:

- i) any change in schedule requested by an employee
- ii) any change in schedule due to a breakdown or unscheduled repair
- iii) the appointment of an employee to a permanent vacancy
- iv) the movement of employees due to layoff/bumping
- v) the appointment of an employee to a temporary vacancy and the reassignments when such vacancy and the resulting subsequent vacancies cease to exist

11.14 If the parties mutually agree, employees may vote on an alternative weekly schedule rotation in October of any year. A vote of fifty (50) percent plus one (1) is required for a change.

## **ARTICLE 12 - REPORTING ALLOWANCE**

12.01 The Company agrees that an employee, upon reporting for work at the commencement of his regularly scheduled shift, unless notified in advance not to do so, shall receive four (4) hours work at his applicable hourly rate or four (4) hours pay, at his regular hourly rate, unless failure to supply work is due to conditions beyond the control of the Company.

12.02 An employee shall not be entitled to receive the four (4) hours pay as provided in 12.01, if:

- a. He 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 given a message at the telephone number recorded by him/her in the Human Resources Department, or
- b. He has not so recorded any telephone number, or
- c. 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.

## **ARTICLE 13 - CALL IN PAY**

13.01 All employees called into work without prior notice at times other than their previously scheduled time will be paid for all hours worked at the applicable rate, but in no such case shall be paid an amount less than the four (4) hours at straight time pay whether or not work is performed. An employee called in to perform such work within any period of two (2) hours or less from the commencement of his regular shift, such minimum shall not apply.

## **ARTICLE 14 – SENIORITY**

14.01 For the purpose of this agreement, "service" shall mean an employee's length of service with Stelco Inc. - Pickle Lines, including all service with Samuel Manu-Tech Inc. and Nelson Steel, since the date of his/her last hiring or rehiring. An employee shall not earn service, and shall be considered as a probationary employee until the employee has worked one thousand and forty (1040) hours. Upon completion of an employee's probationary period his service shall be backdated to the date of hire. If more than one employee is hired on the same date, permanent numbers shall be assigned by alphabetical order of the surname and if needed then by alphabetical order of given name.

14.02 A) The parties recognize that job opportunity and security shall increase with the length of service in the Bargaining Unit. It is therefore agreed that in all cases of vacancy, promotion, and transfer, where qualifications (efficiency, skill, physical fitness, and ability) are considered equal, the employee with the greatest length of service (senior employee) will be entitled to preference. In cases of lay-off and recall, where qualifications are considered equal, employees with the least length of service will be laid off first and recalls will be by greatest length of service.

B) When the weekly work schedule reflects a reduction of the work force, displaced employees shall bump employees with less service, provided the senior employee is qualified to do the work.

C) Employees will maintain their right to return to their job from which they were displaced when work resumes.

D) The Company will provide training on the following jobs: Crane Operator and Floor person, if the employee is deemed qualified on any other Line in the Bargaining Unit, or Exit End Helper, Exit End Operator, and Entry End Operator to ensure that the most senior employee remains working in cases of layoff.

Training will be provided as follows:

2 wks – Exit Helper, Exit Operator, Entry Operator, Floor person

3 wks – Crane Operator

E) Effective upon ratification, once per the term of the Collective Agreement, employees will be asked if they want "Job Preference" to be used in the event of displacement. Those choosing job preference will be considered, by length of service, for short term vacancies created on other crews due to vacations, short term leaves, etc., for jobs that the employee has been displaced from, on twelve (12) Crew Master Schedule, until such time that the Temporary Posting takes effect, if applicable. It is understood that in the event there is no one available to fill these vacancies from the Job Preference list, these vacancies will be filled within the crew. Then the vacancy will be filled by moving employees up, and the vacancy will be filled by the most junior qualified employee from another crew or by calling in an employee previously laid off. It is understood that any

vacancies created, after the schedule has gone up, the Job Preference procedure will not be employed for that week.

The employee will be asked by his Shift Manager, which of the two options he prefers. If the employee does not pick, he will default to Option #1. The employee is to have his choice ready, as the Shift Manager will start asking January 1<sup>st</sup>.

Filling Vacancies:

Option #1- the present method - "Crew Preference"

Short-term vacancies (vacation, L.O.A, Sick benefit. less than 6 wks) are first filled using the present members of the crew filling the eventual vacancy with the most junior qualified employee from another crew or with a "spare".

Note: Choosing this option will keep the employee on the same crew as long as the Company possibly can, however, the employee may not be doing the job he prefers to do.

Option #2- "Job Preference"

When a short-term vacancy appears on a crew, the Company will fill the vacancy by:

1. The most senior qualified employee who held the position on a twelve (12) crew master schedule that chose the "Job Preference" option.
2. Fill the vacancy within the shift and the new vacancy created will be filled by the:
  - a. Most senior qualified "Job Preference" employee, for that job.
  - b. The most junior qualified employee or a "spare".

Note: Choosing this option will allow the employee to do his chosen twelve (12) crew master job more often as they become available, provided he has the service to maintain that position. It may also have the employee switching from shift to shift, week to week.

It is understood that if there are two vacancies for the same job, the most senior employee choosing "Job Preference" will fill the most junior vacancy for that job. This will assure that if there is an overtime vacancy, it will be for the most senior opening.

On 4 crews or less "Job Preference" does not apply. The parties recognize that Management reserves the right to assign employees based on efficiency, skill, physical fitness, and ability, irrespective of their job preference selection, if operating needs require.

14.03 A) In recognition of the responsibility of management for the efficient operations of the plant, it is understood and agreed that in all cases management shall have the right to pass over any employee if it establishes that he does not have the efficiency, skill, physical fitness, and ability to perform the job.

B) Service shall be maintained and accumulated until lost under Article 14.04.

14.04 An employee shall lose all service and be deemed to have terminated employment with the Company if he:

A) Voluntarily quits the employ of the Company.

B) Is discharged for just cause.

C) Fails to report to work within five (5) days after being notified by the Company by registered mail, following a layoff.

D) Is absent for three (3) consecutive working days without notifying the Company. Notwithstanding the notification requirement, satisfactory justification for the absence will be required.

E) Is laid off for more than eighteen (18) months if the employee has less than five (5) years service, or thirty (30) months if the employee has greater than five (5) years service.

F) Fails to return to work upon termination of an authorized leave of absence, unless a satisfactory reason is given to the Company.

14.05 The Unit Chairperson will be issued an up to date seniority list on or about every June 30th. A copy of such list shall be posted on the plant bulletin board for employees' inspection. In addition, once every two years, upon request the Company agrees to provide the Union with an up to date employee list, which includes the employees addresses. It is the employees' responsibility to keep the Company informed of his current address and telephone number.

The Company shall furnish to the Union lists of employees laid off and lists of employees recalled under this section.

14.06 A) All job postings will be posted for seven (7) calendar days. Employees absent due to accident, illness or vacation may apply for a permanent job posting within seven (7) calendar days from returning to work in the department, provided it is within 120 calendar days (to be extended by the duration of the mandatory health and safety training) from the time the job was first posted.

B) Permanent job postings will be offered Bargaining Unit wide and awarded to the most senior employee within the department that has the efficiency, skill, physical fitness, and ability to perform the job. The successful applicant will be given a period of training as specified in Article 14.06(D) at such time that Management deems the need to fill the permanent vacancy. All permanent job postings will be posted within seven (7) calendar days of known to be vacant. For the purpose of this Article, a position will be considered vacant once an employee has left his job to train or to perform his awarded job.

- C) Newly described and classified jobs posted will be awarded to the most senior employee within the department that has the efficiency, skill, physical fitness, and ability to perform the job.
- D) If there are no qualified applicants for the posting, the most senior applicant with the physical fitness and ability to perform the job will be awarded the job and will have the following training periods available to him. It is understood that training will be uninterrupted unless a suitable replacement is not available:

2 wks – Exit Helper, Exit Operator, Entry Operator, Floorman, Towmotor Operator.

3 wks – Biller, Crane Operator

4 wks – Line Operator

4-6 wks – Set Up Operator, Utility

The employee will be considered trained once the employee has completed the required above referenced training period, and the employee and the supervisor sign off on the Qualification Sheet. Should the employee not adapt at any time during the training period, in the Company's opinion, he will be returned to the incumbent job held prior to the new posting.

An employee who is awarded a posting will have 7 calendar days in which he can decide to return to his previous incumbent job except in the case of Line Operator, Set Up Operator and Utility positions. An employee who is awarded the posting of Line Operator, Set Up Operator and Utility will have 14 calendar days in which he can decide to return to his previous incumbent job. Ripple vacancies will be posted and successful candidates identified, but the ripple transfers will not occur until after the 7 or 14 calendar day period has elapsed. Junior employees assigned a posting will not have the option of returning to their previous incumbent job.

Employees will only have the option of electing to return to their previous incumbent job once every 12 calendar months.

- E) Employees who wish to move off their incumbent job when no openings are available shall ask their Supervisor to post their job. If this job posting is not filled, the employee must remain at his position. An employee will only be allowed to exercise this option once during the term of the Collective Agreement and will not be allowed to return to the job vacated.
- F) Sick leave and compensation cases that are known to be longer than six (6) weeks will be posted as a Temporary Posting. Such cases and vacation replacements less than six (6) weeks will be treated as temporary transfers using the Job Preference System. If no job preference is available the vacancy will be filled by a qualified employee within the crew.

- G) Once an employee has been on a temporary assignment for a period of six consecutive months, he may request to return to his incumbent job or the job previously held prior to the posting and the temporary assignment will be reposted.
- H) Ripple jobs from temporary postings will be filled by job preference. In the case that there is no job preference employee available, the opening will be first filled by a qualified employee within the crew then by a junior qualified employee.
- 14.07 Whenever it becomes necessary to reduce the work force, the employees affected shall be given as much notice as possible.
- 14.08 If an employee from another division or plant within the Company transfers into the Bargaining Unit his seniority, for the purposes of layoff, call-back, job preference, and overtime opportunities save and except vacation and pension entitlements, shall be the date the employee commenced work in the Bargaining Unit.
- 14.09 A) An employee shall be deemed to be an incumbent to a single job at any one time when:
- i) he has successfully bid and been awarded a permanent job posting, or
  - ii) he has been allocated to a job as a new hire and has subsequently earns service on that job.
- B) If an employee is displaced from his twelve (12) crew master schedule incumbent job, the displaced employee may bump a less senior employee provided the senior employee has the efficiency, skill, physical fitness and ability for that job and under the following conditions.
- The employee:
- 1. Must first bump into same posted job
  - 2. Bump into any other job that he is qualified on
- It is understood that employees who exercise the above option will return to their incumbent job or job that they have bumped into, when it becomes available.

## **ARTICLE 15 - TEMPORARY TRANSFERS**

- 15.01 An employee temporarily assigned at the request of the Company to another job will receive the rate of the job to which he is assigned or the rate of his regular job, whichever is higher. This clause will not apply to an employee who is demoted as a result of disciplinary action and assigned to another job.

## **ARTICLE 16 - PREFERENTIAL SENIORITY**

- 16.01 In the event of a layoff, the Union's Chairperson, Grievance Chairperson, and Union's Health and Safety Co-Chairperson, during their term of office, will be retained in the employ of the Company as long as there is work available and they are qualified and willing to perform the work assigned by the Company, regardless of their position on the seniority list.
- 16.02 The Union's Chairperson or Grievance Chairperson or Health and Safety Co-Chair will be relieved of his/her regular duties for total time not to exceed twenty-four (24) hours per month to perform union duties and to meet with the Company to resolve labour and health and safety issues.

#### **ARTICLE 17 - LEAVE-OF-ABSENCE**

- 17.01 Leave-of-absence without pay may be granted by the Company on request for such reasons as it considers proper. Permission for such leave will not be unreasonably withheld. Leave-of-absence to attend the Union's Conventions or Conferences, with at least two (2) weeks notice, will be considered a legitimate reason providing it does not interfere with the operations, and does not exceed an aggregate of sixty (60) days in any calendar year.
- 17.02 The employee will be solely responsible for benefit costs during his personal leave-of-absence and will pay to the Company the cost for such benefit coverage.
- 17.03 The Company agrees to continue the pay and benefits of any employee absent from work on authorized Union business which is not paid for by the Company as provided for elsewhere in this Agreement and the Union shall reimburse the Company for such wages upon receipt of a statement. Before any payment is made by the Company under this provision, authorization by the local Union President in writing shall be required.

#### **ARTICLE 18 – PREGNANCY/PARENTAL LEAVE**

- 18.01 The Company and the Union agree that employees shall be entitled to pregnancy/parental leave in accordance with the provisions of the Employment Standards Act.
- 18.02 The Company agrees that it shall extend such period of leave, without pay, either before or after delivery of the baby upon receipt of medical evidence supporting the need for such additional leave.
- 18.03 An employee will be protected from loss of pay for a maximum of one (1) day for the birth of his child, providing the child is born on his scheduled workday.

#### **ARTICLE 19 - JURY DUTY**

19.01 An employee who has attained seniority will be allowed to be absent from work for the purpose of serving Jury Duty or as subpoenaed to appear as a witness in a Civil or Criminal action. The Company will pay the difference between the pay received for such duty and the regular straight time rate of pay for the scheduled hours of work lost because of such duty. Should the employee present himself for selection as a juror and not be selected, he is required to return to the plant to complete his remaining normally scheduled workday. Proof of service and remuneration will be required.

## **ARTICLE 20 - BEREAVEMENT PAY**

20.01 An employee who has attained seniority will be protected from loss of regular scheduled pay for up to three (3) days to grieve the death of the employee's current spouse, child, mother, father, sister, brother, parent of current spouse, daughter-in-law, son-in-law, and grandchildren and up to three (3) days in the event of the death of a step mother or step father.

The three (3) days off for spouse, children, mother, father, and parents of current spouse are without restriction.

20.02 An employee who has attained seniority will be protected from loss of regular scheduled pay for a maximum of one (1) day to grieve the death of the employee's grandparents, aunt, uncle, first cousin, sister-in-law, brother-in-law, sister or brother-in-law of current spouse, natural parents and grandparents of natural children, or the employee's spouse's grandparents.

20.03 If an employee or current spouse suffers a miscarriage, employees will be protected from loss of pay to a maximum of one (1) day.

20.04 Legally recognized common-law relationships shall be eligible for the above bereavement benefits.

## **ARTICLE 21 - PLANT HOLIDAYS**

21.01 The Company recognizes thirteen (13) paid holidays. Paid holidays will be:

New Year's Day	Labour Day
Family Day	Thanksgiving Day
Good Friday	Christmas Eve Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
Civic Holiday	Two Floating Holidays

21.02 In the event that the government declares an additional statutory holiday that the Company does not recognize, one of the floating holidays will be applied.

- 21.03 i) An Employee shall receive eight (8) hours pay for each Company recognized holiday based on the employee's regular rate of pay.
- or
- ii) The Company agrees that employees scheduled to work a twelve (12) hour shift on a Company recognized holiday, excluding Christmas Day and New Year's Day, and that shift is cancelled by the Company, will be paid at their regular hourly rate for the hours lost.
- 21.04 To be eligible for holiday pay an employee must report for work the last regularly scheduled shift prior to and immediately following the holiday, or accepts the shift on the holiday, absence will also result in loss of holiday pay.
- 21.05 A) The employee must also have worked seventy (70) hours in the four (4) weeks preceding the holiday, to be eligible for the holiday pay. Booked vacation will be considered hours of work for the purpose of this article, provided the employee would have been scheduled to work or has worked the week prior.
- B) Eight hours stat pay, as computed under the provision of Article 21.03, for Christmas Day, will be paid to all laid off employees on the Seniority List.
- 21.06 In the event of a lay-off after six (6) months of continuous service, employees will be paid for one floating holiday providing they have not been paid for a floating holiday in the prior six (6) months period.

## **ARTICLE 22 – VACATIONS**

- 22.01 A) An employee employed for less than one (1) year prior to May 1st of a vacation period is entitled to one (1) day vacation time for each month he is employed to a maximum of ten (10) days during the current vacation period. Vacation pay will be 4% of gross earnings up to and including April 30th of the current vacation year.
- B) Gross earnings for vacation purposes exclude taxable benefits, and profit sharing plan payments.
- 22.02 An employee on the active payroll of the Company with more than one (1) year Company seniority as of May 1st of the current vacation period will be entitled to two (2) weeks vacation with pay. Vacation pay will be 4% of gross earnings from May 1st of the previous year up to and including April 30th of the current year.
- 22.03 An employee on the active payroll of the Company with five (5) years or more Company seniority as of May 1st of the current vacation period will be entitled to three (3) weeks vacation with pay. Vacation pay will be 6% of gross earnings from May 1st of the previous year up to and including April 30th of the current year.

22.04 An employee on the active payroll of the Company with ten (10) years or more Company seniority as of May 1st of the current vacation period will be entitled to four (4) weeks vacation with pay. Vacation pay will be 8% of gross earnings from May 1st of the previous year up to and including April 30th of the current year.

22.05 A) An employee on the active payroll of the Company with fifteen (15) years or more Company seniority as of May 1st of the current vacation period will be entitled to five (5) weeks vacation with pay. Vacation pay will be 10% of gross earnings from May 1st of the previous year up to and including April 30th of the current year.

B) An employee on the active payroll of the Company with twenty four (24) years or more Company seniority as of May 1st of the current vacation period will be entitled to six (6) weeks vacation with pay. Vacation pay will be 12% of gross earnings from May 1st of the previous year up to and including April 30th of the current year.

C) An employee shall receive an additional payment equal to a percentage of the appropriate amounts, as provided below, in respect to the length of vacation he/she is entitled to, depending upon the month when each such week of his/her entitlement is taken:

- (i) During the months of January, February, March, April, November and December – 25%.
- (ii) During the months of May, June, July, August, September and October – 20%.

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 vacation is taken.

22.06 An employee employed for one (1) year or more prior to May 1st of a vacation period will receive the greater of the above percentages of gross pay or forty (40) hours per week of earned vacation at his regular rate of pay. If an employee is absent more than 350 hours during the year ending April 30th of a vacation period, he will receive vacation pay at the rate of 2% of gross earnings per week of vacation time earned. Absences for Union business are not included.

22.07 When an employee takes vacation before May 1st in any vacation period, he will receive the applicable percentage of gross pay from May 1st of the previous year up to the time the vacation is taken. The remainder of the vacation pay, if any, will be paid on the first pay day after May 1st of the current vacation period.

22.08 With the exception as outlined in 22.11, vacation shall not be accumulated but must be taken within the current calendar year. If an employee is absent due to

illness or WSIB during his scheduled vacation, the vacation pay will be paid as scheduled unless the parties mutually agree to defer to a later date in the current calendar year.

- 22.09 Any employee who leaves the employment of the company for any reason shall receive a vacation pay based on the current year's vacation entitlement.
- 22.10 The Company, starting on the 1st of November will start the vacation schedule for the following year in accordance with Letter of Understanding "J". Vacation schedules, once completed in accordance with the mutually agreed vacation schedule procedure and approved by the employer, shall not be changed, other than in cases of emergency, except by mutual agreement between the employee and employer, with two (2) weeks notice. Weeks of vacation, not selected by the employee by April 1st, will be designated by the Company.
- 22.11 An employee with twenty-two (22) or more years of service will be entitled to defer (bank) up to two (2) weeks of his annual vacation entitlement per year, up to a maximum of eight (8) weeks, to be taken as pre-retirement vacation immediately prior to his retirement date. The employee must sign his irrevocable intent to retire in order to utilize the pre-retirement vacation.
- 22.12 An employee may elect to schedule two (2) weeks of his/her annual vacation entitlement in single days. For employees on eight hour shift pattern, the two weeks of single days shall not exceed a total of ten (10) shifts equivalent to eighty (80) hours. For employees on twelve (12) hour shift pattern, the two weeks of single days shall not exceed a total of seven (7) shifts equivalent to eighty-four (84) hours.

## **ARTICLE 23 - PENSION PLAN**

- 23.01 The Company agrees to maintain the Pension Plan.
- 23.02 (i) The Defined Benefit portion of the Pension Plan will be calculated using 1.4% on career earnings with Stelco Inc. beginning August 29, 2008, once an employee has acquired one (1) year of service, payable at age sixty two (62).
- 23.02 (ii) Early retirement will be established at age sixty-two (62) with a supplementary pension bridge equal to \$17.00 per month per year of credited service payable to age sixty-five (65).
- 23.02 (iii) For employees and their spouses taking early retirement, the company will provide major medical coverage in Canada that is not covered through government programs for up to a maximum of five (5) years or age sixty-five (65) whichever first occurs: up to a maximum of \$5000 per year for the first three (3) years of early retirement and up to a maximum of \$2500 per year for the next two (2) years of early retirement.

- 23.02 (iv) The Company agrees to provide a 1.4% pension benefit on short-term disability earnings.
- 23.02 (v) Employees' RRSP deductions will be submitted on a bi-weekly basis.
- 23.02 (vi) Pension statements, in future, will have columns for early retirement and normal retirement ages with all appropriate dollar amounts included.
- 23.03 A) The definition of 'bargaining unit employee' in Section 2 of the U.S. Steel Canada Inc. Retirement Plan for Employees at the Pickle Lines Department of Lake Erie Works (the Plan) will be amended to exclude any new bargaining unit employee hired on or after July 7, 2011 from eligibility or membership in the Plan. Employees hired on or after the date of ratification will not be eligible to join the Plan.
- 23.03 B) Group Registered Retirement Savings Plan (RRSP)  
The Company will contribute on behalf of bargaining employees hired on or after July 7, 2011 to the Manulife Assurance Company of Canada Group RRSP. The Company contribution to the Group RRSP shall be fixed at \$2.65 per hour worked, subject to Income Tax Act maximums, with no further obligation or liability of any kind for funding or benefit payments. The Company will not be the legal sponsor or administrator of the Group RRSP.

Hours for which contributions will be made are:

- 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 8782 business, whether paid for by the Company or not.
- c) 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 / compassionate leave, Personal Emergency Leave, Family Caregiver Leave, Family Medical Leave, Critically Ill Child Leave, Organ Donor Leave or Crime-Related Death or Disappearance Leave.

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

- 23.04 Pre-2018 Service – Existing Pension Plan
- A) Notwithstanding the terms of the Collective Agreement, 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 Employees at the Pickle Line Department of Lake Erie Works, FSCO Registration No. 1206457, ("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 Collective Agreement 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 Collective Agreement. The Union agrees to the amendment of the Existing Pension Plan to give effect to the Legacy Pension Arrangement effective as of the Closing.

B) "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.

C) Post 2017 Service – New Pension Plan

Notwithstanding the terms of the Collective Agreement, 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, and may also cover eligible members of Local 8782 (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 July 7, 2011 will be permitted to join the New Pension Plan.

D) 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.

## **ARTICLE 24 – WAGES**

24.01 The Company agrees to pay, and the Union agrees to accept, for the term of this Agreement, the wages set out in the wage schedule attached hereto.

24.02 For the term of this Agreement, inflation protection will be provided for by the cost of living adjustment formula outlined in Letter of Understanding "G".

## ARTICLE 25 - HEALTH & SAFETY

- 25.01 A) The Company, the Union and the employees will comply with the Occupational Health & Safety Act of Ontario.
- B) It is understood by the Company, the Union, and the employees that the right to refuse unsafe work as per procedures outlined in the Occupational Health & Safety Act of Ontario, 1990, as amended by S.O. 1992, will remain in force during the course of this Agreement.
- 25.02 The Company and the Union agree to maintain an Occupational Health and Safety Committee consisting of up to six (6) members elected by the Union and up to six (6) members appointed by the Company. The Company agrees to recognize two certified members. The Company agrees to provide both level 1 and level 2 certification training for two (2) of the committee worker members, in order to maintain two (2) certified worker members on the committee.
- 25.03 The Company Co-Chairperson and the Union Co-Chairperson will coordinate the Health and Safety Program.
- 25.04 The joint Health and Safety Committee shall meet, at minimum, once every three (3) months. The Health and Safety Committee shall inspect the workplace and new facilities on a monthly basis upon the request of either the Company or Union representatives to the committee.
- 25.05 The general duties of the Health and Safety Committee shall include the prompt investigation of all serious accidents/incidents and any unsafe condition or practice that may be reported to it. All accident/incident investigation reports will be forwarded to the Union Co-Chairperson.
- 25.06 The Company shall supply protective equipment as follows: safety hard hats, gloves, hearing protection, work boots, flame retardant clothes (oranges), safety glasses, and prescription safety glasses, where such items are required, upon hire and on a replacement basis upon return of the worn items.
- 25.07 The Union Co-chairperson of the Joint Health and Safety Committee may request semi-annually, an audit of the department. If the audit identifies major deficiencies in the program elements, the audits may be conducted once each quarter until the identified deficiencies have been corrected and remain corrected for two audits.
- The Union Co-chairperson and the Manager – Health & Safety, or their delegates will participate in a tour of the department annually, if either party deems necessary.
- 25.08 A) The Union Co-chair will be involved in the following activities:
1. Participate in the investigation of workplace incidents.

2. Participate in the development and implementation of safety and health programs.
  3. Participate in the design of safety and health training programs.
  4. Facilitate and participate in the delivery of joint training initiatives.
  5. Assist in the development of safe job procedures.
  6. Co-ordinate, participate in, and prepare summaries of JHSC departmental audits.
  7. Assist in joint safety activities.
- B) The Union co-chairperson shall be paid at the rate of his/her regular scheduled occupation which was held at the time of being appointed Union Co-chairperson of the Joint Health and Safety committee. He/she shall be paid for hours worked while performing these duties at his/her regular or premium rate as may apply.
- C) Prior to industrial hygiene testing within a department, the Industrial Hygienist will meet with a designated union member of the Joint Health and Safety Committee or delegate. The purpose of such meeting will be to familiarize the Industrial Hygienist with the purpose, scope and specific conditions of the testing required.
- D) The Union Co-chairperson of the Joint Health and Safety Committee will be included in those persons who review the preliminary industrial hygiene reports before formal distribution. He/she will continue to receive all copies of the formal hygiene reports and any follow up reports.
- 25.09 A) A meeting of the Joint Health and Safety Committee will be held upon the request of either the Union Co-chairperson or the Manager – Health & Safety every two months to discuss problems which arise in connection with Health and Safety matters. Both parties will submit a written agenda at least seven (7) days prior to the meeting.
- B) The Union representatives of the Joint Health and Safety Committee will be granted up to two (2) hours time off work in order to prepare for each Committee Meeting.  
Time spent by each Union representative of the Joint Health and Safety Committee shall be deemed to be work time for which they shall be paid at their regular or premium rate as may apply while attending meetings.
- 25.10 A) An Area Health and Safety Representative shall conduct an inspection of his/her area not more often than once per month to observe matters of Health and Safety. In the event that there is more than one Health and Safety Representative in an area, only one Representative will be allowed to conduct an inspection tour in any one month. The Health and Safety representative and the supervisor will conduct an inspection of the department which will occur within the first two weeks of the month. Any technical advice which may be deemed necessary during the tour shall not be unreasonably withheld.

- B) At the conclusion of the inspection tour, observations made during the tour shall be discussed with the Supervisor. A report of all observations shall be written and jointly signed by the parties conducting the tour. Such report shall be made within one (1) week of the tour date and copies will be distributed to the Area Manager, Union co-chair of the Joint Health and Safety Committee and the Manager – Health & Safety.
  
- C) An update on all items on the above report shall be made monthly with said update including any projected completion dates on items not yet completed. Such updates shall be jointly agreed upon and signed by the Health and Safety Representative and the Supervisor conducting the tour and shall be sent to the Area Manager, the Union Co-chairperson of the Joint Health and Safety Committee and the Manager – Health & Safety.

25.11 Inspection of equipment will continue to be carried out by the Company.

**ARTICLE 26 - BULLETIN BOARDS**

26.01 The Company agrees to provide a bulletin board in the employee lunch room for the purpose of posting Union information. The Union agrees that all information must be approved and initialled by the Labour Relations Manager or designate prior to posting.

**ARTICLE 27 – MAINTENANCE**

27.01 The Company will provide to all maintenance employees tools to perform the functions of their job. The Company will provide the list of tools to the Union.  
  
It is understood that all tools shall remain the property of the Company.

27.02 The parties have agreed to establish a Skilled Trades & Maintenance Sub-Committee to resolve issues related to the Skilled Trades & Maintenance of the plant. The Sub-Committee shall be comprised of the Plant Superintendent and the Maintenance Supervisor for the Company and the Unit Chair and Maintenance Steward. The Sub-Committee shall meet at mutually agreed upon times.

27.03 When the Company acquires new equipment, whenever practicable, the Company will endeavour to assist the skilled trades employees with the necessary job-specific training.

27.04 Company will offer maintenance employees, maintenance work they would normally perform, prior to having it contracted out. The Company and the Union can agree to Work Projects, outside the normal realm of duties using selected qualified employees.

27.05 The parties agree to investigate apprenticeship programs for the duration of the contract.

## **ARTICLE 28 - LETTERS OF UNDERSTANDING**

28.01 The Company and the Union agree that Letters of Understanding and schedules, as attached, hereto are incorporated by reference to the Agreement.

## **ARTICLE 29 - HUMANITY FUND**

29.01 The Company agrees to deduct on a bi-weekly basis the amount of \$0.01 per hour from the wages of all employees in the Bargaining Unit for all hours worked and, prior to the 15th day of the month following, to pay the amount so deducted to the "Humanity Fund" and forward such payment to: United Steelworkers (National Office), 234 Eglinton Avenue, East - Toronto, Ontario M4P 1K7, and to advise in writing both to the Humanity Fund at the aforementioned addresses and the local Union that such payment has been made, the amount of such payment, and the names of all employees in the Bargaining Unit on whose behalf such payment has been made. All employee deductions are voluntary and may be cancelled upon request.

The Union agrees to indemnify and save the Company harmless against all claims or other forms of liability that may arise from Article 29.01.

## **ARTICLE 30 - COLLECTIVE AGREEMENT**

30.01 The Company agrees to supply copies of the collective Agreement for each employee in the Bargaining Unit and twelve (12) copies for the International Representative. The Company agrees to provide an electronic version of the agreement to the Union within 60 days of ratification.

## **ARTICLE 31 - JOB DESCRIPTION**

31.01 The parties agree to continue to use the June 2003 job evaluation system.

## **ARTICLE 32 – BENEFITS**

32.01 A) The current Health Benefits will be maintained for the life of the Agreement (weekly Indemnity will be twenty six (26) weeks) and the Union will be supplied with a master copy of the Group Insurance Plan. Employees must have three (3) months of service to be eligible for Weekly Indemnity, Long Term Disability, and the Dental plan.

- B) The Company will pay to a maximum of \$250.00, per eligible family member, for prescription glasses, and up to \$75.00 for eye exams once every twenty-four (24) months. Official receipts must be submitted for reimbursement. Employees must have three (3) months of service to be eligible.

32.02 An employee on a gradual return to work program will receive the greater of his/her hours of work times the appropriate hourly rate totalled for the week or the weekly short term disability rate. It is understood this is not applicable to compensable absences under the Workplace Safety and Insurance Act.

### 32.03 OPEBs for Retired Members

- A) Notwithstanding the terms of the Collective Agreement it is expressly agreed and understood that, effective on Closing, Stelco shall have no obligations to provide other post-employment benefits (“OPEBs”) to the retired members of Local 8782B. Instead, Stelco shall be obligated to contribute as set out in the OPEBs Trust and Funding Arrangements (as defined herein). Stelco shall be obligated to pay the costs of the existing retiree benefits as identified in the Collective Agreement and the retiree benefits as identified in the Agreement for an Insurance Program and administration and taxes as well as the administration costs of the trust responsible for administering the benefits set out in the OPEBs Trust and Funding Arrangements (as defined herein). It is provided that the OPEBs Trust and Funding Arrangements do not form part of the Collective Agreement and except for Stelco’s obligation to make payments pursuant to the OPEBs Trust and Funding Arrangements, neither the terms of the OPEBs Trust and Funding Arrangements, nor any dispute regarding OPEBs entitlement, are subject to the grievance and arbitration procedure under the Collective Agreement or the dispute resolution provision under the Agreement for an Insurance Program. In the event that Stelco’s payment obligation exceeds \$4 million per annum and there is any dispute about the amount to be paid on account of OPEBs in excess of \$4 million, the Union shall indicate its calculation and the arbitrator shall decide what amount, if any, between the amount paid by the Company during the year in question and the amount claimed by the Union shall be payable. The parties shall agree on a panel of arbitrators to adjudicate these, and pension-related, matters.
- B) “OPEBs Trust and Funding Arrangements” means the following Stakeholder Agreements: OPEB Funding Agreement and the Employee Life and Health Trust for 8782 and 8782B (the “8782 OPEBs Trust”), together with such additional documentation as the trustees of the 8782 OPEBs Trust deem form part of the 8782B OPEBs Trust documentation, including but not limited to the documentation providing for the governance of the OPEBs Trust and the benefits payable from the 8782 OPEBs Trust from time to time (provided that such additional documentation may not impose any additional obligation to contribute to the 8782 OPEBs Trust on Stelco).
- C) No Change to OPEBs

During the Current Collective Agreement and the Renewal Agreement, the Union agrees that it will not alter the benefits provided to or the conditions of eligibility for OPEBs Agreement other than to harmonize them with those of 8782 retirees and to add out-of-country medical coverage for retirees.

**ARTICLE 33 – DURATION**

- 33.01 This agreement is effective June 28, 2014 and shall remain in effect until 12:01 a.m. June 28, 2019.
- 33.02 Either party desiring to renew or amend this Agreement may give notice in writing of its intention during the last ninety (90) days of its operation.

IN WITNESS THEREOF each of the parties hereto has caused this agreement to be signed by a duly authorized representative this \_\_\_\_ day of \_\_\_\_\_, 2017.

FOR THE UNION  
Rob Newstead  
Troy Cooper  
Tim Hines

FOR THE COMPANY  
David Cheney

**WAGE SCHEDULE**

**EFFECTIVE JULY 1, 2017**

JOB CLASSIFICATION	WAGE RATE (PER HR)
Exit End Helper (Line 4,6)	\$29.2843
Exit End Helper (Line 5)	\$28.9207
Exit End Operator (Line 4,6)	\$30.1327
Exit End Operator (Line 5)	\$29.8903
Entry End Operator	\$29.7691
Line Operator (Line 4,6)	\$31.9507
Line Operator (Line 5)	\$31.5871
Set Up/Utility Person (Line 4,6)	\$31.4659
Set Up/Utility Person (Line 5)	\$31.1023
Floor person (Line 5, 6)	\$29.1631
Floor person (Line 4)	\$28.9207
Tow motor Operator	\$29.1631
Crane Operator	\$29.5261
Shipper/Receiver	\$29.7691
Maintenance 1 (Electrician)	\$33.4150
Maintenance 2 (Other Trades)	\$33.1080

Employees in the Maintenance 1 and Maintenance 2 classifications, respectively, shall be entitled to receive payments at the same times and in the same amounts as those made to employees in Job Classes 26 and 25, respectively, at the Lake Erie Works ("LEW") Main Plant. SPP and Fund to be added in payment to Job Classes 26 and 25.

Within twelve (12) months of June 30, 2017, the Senior Level Committee, or any Sub-committee to whom it delegates responsibility shall meet to: (i) review whether employees in any Production job classifications under this collective agreement have substantially the same duties and responsibilities as employees in more highly-compensated job classifications under the LEW Agreement; and (ii) to recommend to the Senior Level Committee a methodology and timetable for compensation adjustments to bring the wages for the relevant job classifications under this collective agreement into parity with the wages for the equivalent classifications governed by the LEW Agreement. Any such adjustments will be retroactive to June 30, 2017. SPP and Fund to be added retroactive to June 30, 2017.

The parties agree that the above increases are not intended to result in Job Evaluation increases to the remainder of the Wage Schedule, other than to wages for job classifications whose duties and responsibilities have been determined to be substantially similar to those of more highly-compensated job classifications under the LEW Agreement.

New hires - \$2.00/hr less than the job they will be performing during the probationary period.

Shift Premiums:

Night Shift: \$0.70/hr

Afternoon Shift: \$0.40/hr

Other Premiums:

Lead Hand Rate + \$0.30

Shift Leader Rate + \$0.80

In the event of a layoff and a transfer to another Stelco Inc. location, the affected employee will be paid at the rate of the job to which they are assigned.

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Students: Effective  
July 1/14

Student Exit End Helper \$14.00

Student Entry Operator \$14.70

Student Exit Operator \$14.85

Student Maintenance Helper \$10.30

## **LETTER OF UNDERSTANDING "A" RE: HOURS OF WORK**

This will confirm the understanding of the parties with respect to shift schedules to achieve continuous operation for the duration of the Collective Agreement.

While the Company will endeavour to use 12-hour schedules whenever possible, the decision to use 8-hour schedules will be discussed with the Unit Chair or his representative and he will be afforded the opportunity to have input.

The parties agreed to schedules include:

- 4 crew T schedule Version A and B
- 3 crew 12-hour schedule Version A and B
- 2 crew 12-hour schedule
- 1 crew 10-hour Version A and B
- 3 crew 8-hour schedule.

The parties agreed that a 2 crew 8-hour schedule will not be used except for maintenance and tow motor when required.

Hours of work for Day shift Monday to Friday shall be:

Maintenance 7:00 AM to 3:00 PM with a paid lunch  
 Tow Motor 8:00 AM to 4:00 PM with a paid lunch

4 Crew (T) Schedule – Version A (B and D Rotation)

	S	M	T	W	TH	F	S
Days	A	D	D	C	C	D	D
Nights	C	B	B	A	A	B	B
Days	D	A	A	D	D	C	C
Nights	B	C	C	B	B	A	A
Days	C	B	B	A	A	B	B
Nights	A	D	D	C	C	D	D
Days	B	C	C	B	B	A	A
Nights	D	A	A	D	D	C	C

4 Crew (T) Schedule – Version B

	S	M	T	W	TH	F	S
Days	A	D	D	C	C	B	B
Nights	C	B	B	A	A	D	D

Days	B	A	A	D	D	C	C
Nights	D	C	C	B	B	A	A

Days	C	B	B	A	A	D	D
Nights	A	D	D	C	C	B	B

Days	D	C	C	B	B	A	A
Nights	B	A	A	D	D	C	C

3 Crew 12 Hour Schedule – Version A

	S	M	T	W	TH	F	S
Days		C	C	C	A	A	
Nights	A	A	B	B	B		

Days		B	B	B	C	C	
Nights	C	C	A	A	A		

Days		A	A	A	B	B	
Nights	B	B	C	C	C		

3 Crew 12 Hour Schedule – Version B

	S	M	T	W	TH	F	S
Days		C	C	C	A	A	
Nights	A	A	B	B	B		

Days		A	A	A	B	B	
Nights	B	B	C	C	C		

Days		B	B	B	C	C	
Nights	C	C	A	A	A		

2 Crew 12 Hour Schedule

	S	M	T	W	TH	F	S
Days		B	B	B	B		
Nights		A	A	A			

Days		A	A	A	A		
Nights		B	B	B			

1 Crew 10 Hour Schedule – Version A

	S	M	T	W	TH	F	S
Days			A	A	A	A	

1 Crew 10 Hour Schedule – Version B

	S	M	T	W	TH	F	S
Days		A	A	A	A		

3 Crew 8 Hour Schedule

	S	M	T	W	TH	F	S
Days			A	A	A	A	A
Afternoons		B	B	B	B	B	
Nights		C	C	C	C	C	

			B	B	B	B	B
Days							
Afternoons		C	C	C	C	C	
Nights		A	A	A	A	A	

			C	C	C	C	C
Days							
Afternoons		A	A	A	A	A	
Nights		B	B	B	B	B	

It is understood that the Company may implement a schedule which is not identical to the applicable schedules set out in this Letter. The Unit Chair or his representative will be afforded the opportunity to have input and provide assistance in the development of such schedule.

Overtime rates (at 1 ½ x their regular hourly rate) shall be paid for the first eight (8) hours worked on the designated down turn (Thursday day shift) on the 168 hours per month "T" Schedule.

**LETTER OF UNDERSTANDING "B"**  
**RE: STUDENTS**

1. Students, employed by the Company shall have been pursuing a full time education at an accredited school, college or university, within the last four months prior to their date of hire and must indicate their intention of returning to school.
2. Students can be employed between April 15<sup>th</sup> and September 15<sup>th</sup>, the Christmas Break two (2) weeks and the Spring Break one (1) week.
3. Students shall not acquire service and may be terminated at any time without restriction.

4. If a student is hired as a full time employee, their probationary period will be waived provided the student has worked for the Company for 6 months of the last 12 months, prior to their date of hire.
5. Students shall only be entitled to wage payments for hours worked in accordance with the Collective Agreement (including holiday pay in accordance with the Employment Standards Act) and shall not be entitled to any other compensation or benefits.

**LETTER OF UNDERSTANDING "C"**  
**RE: ALLOCATION OF OVERTIME**

- 1.A) The employee who is working on that line and that job by seniority.  
B) The qualified employees who are working on another line and on that job by seniority.  
C) Employees on the shift of the vacancy are moved up and the vacancy created is filled by the senior qualified employee available.  
D) Qualified employee on layoff provided no additional safety training is required  
E) Qualified student currently employed
2. If notification of a vacancy is given less than two hours prior to the beginning of the shift, the employees working the shift may be asked to work up to four (4) hours, using the above guidelines, until the vacancy can be filled. It is understood that if the vacancy cannot be filled in its entirety that the employees on the shift following the vacancy shall be asked to come in early in the same sequence as stated in item one (1).
3. If any overtime is given to any employee incorrectly, it will be changed if detected in time. If the improper scheduling of overtime is not detected and corrected in time, the employee who should have been scheduled, according to that week's posted schedule, shall be offered the opportunity to make up the hours missed at the applicable overtime rate. These hours shall be used for training on a mutually agreed date with a two (2) week period for the purpose of this clause the time limits are for direction, not mandatory.
4. All overtime will be posted in the department.
5. Saturday Maintenance help, other than maintenance workers, will be offered on a rotational basis, starting with the most senior qualified employee. Should the person refuse the shift, it will count as a maintenance helper shift worked. Coil repair helpers will be offered overtime using the same system.
6. A double overtime is sixteen (16) of twenty-four (24) hours at overtime rates. Premium shifts worked, traded or given away shall not apply in these instances.
7. Any voluntary overtime shifts accepted may not be given away or traded by an employee.

8. Employees will be called for overtime according to their scheduled jobs, on that week's schedule. The Company shall not be responsible for missed call-ins due to shift changes.
9. Employees are not permitted to give shifts away to laid-off employees.

#### Foreman Vacancy

If a Foreman vacancy is filled by a bargaining unit member, on that shift, for the purposes of allocating overtime, if needed, the overtime procedure will be followed using the position that the bargaining unit employee held as the vacancy and not the Foreman's position.

### **LETTER OF UNDERSTANDING "D" RE: PLACEMENT OF ACCOMMODATED EMPLOYEES**

In the event an employee becomes disabled as a result of occupational or non-occupational illness or injury during the course of his employment, every effort shall be made by the Company and the Union to give the employee such suitable employment within the bargaining unit as is available.

The Company and the Union will form an "Accommodation Committee", consisting of no more than four people, and the following will be the guidelines in handling such cases. The Company and the Union agree that all accommodation cases will be judged on medical restrictions (FAF) and will be handled on an individual basis. The goal of any accommodation is to return the injured employee to the regular duties of his/her posted job. It is understood that in order to accommodate an employee, the Committee will require to be supplied with a medical prognosis to be provided by the employee.

In terms of a permanent accommodation all resources will be used to properly situate the employee (e.g. WSIB Ergonomist) and make necessary job modifications required to make the job compatible.

Permanent accommodation will be assessed in the following manner, considering all available medical information:

- Determine if the employee requiring accommodation can fit into any available job posting that has not been awarded.
- In the event that an accommodated employee needs to displace another employee, the most junior employee at the Nanticoke plants, in that position, will be displaced.
- The displaced employee will use his seniority to bump into another job, training will be provided, if required.

Temporary accommodation will be assessed in the following manner, considering all available medical information:

- Determine if the employee requiring accommodation can temporarily fit into any available job posting that has not been awarded.
- In the event that an accommodated employee needs to displace another employee, the most junior employee at the plant of the injured employee, will be displaced.

- The displaced employee will use his seniority to bump into another job that he is qualified for.

**LETTER OF UNDERSTANDING "E"**

**RE: ON THE JOB RELIEF**

The Company and the Union agree that on the job relief will occur at your designated workstations when the shift begins (e.g. No later than 6:45am on day shifts).

**LETTER OF UNDERSTANDING "F"**

**RE: ATTENDANCE PROGRAM**

The Company agrees to continue to recognize good attendance as follows:

1. For every month in which employees have perfect attendance (no infractions), they will accumulate two (2) hours off for a possible total of twenty-four (24) hours off per year.
2. Negative hours will accumulate also.
3. For each attendance infraction, hours will be deducted from the accumulated hours (Positive OR Negative) as follows:
  - (A) Every call-in will result in an eight (8) hour deduction, regardless if the call-in is for a regularly scheduled shift, a scheduled O/T shift, or a voluntary O/T shift that you have already agreed to work.
  - (B) Every give-away shift will result in a four (4) hour deduction.
  - (C) Every late, left early, missed punch (in or out), less than full shift on time card will result in a two (2) hour deduction after the grace period is exceeded. Late up to fifteen (15) minutes: docked on half hour pay, but does not count against perfect attendance unless you have used up your two (2) graces. Late more than fifteen (15) minutes: docked amount of time late (minimum one half hour) minus two (2) hours, no perfect attendance for that month. Grace is only given on lates up to fifteen (15) minutes, missed punches or no eight (8) or twelve (12) hours on punch card for a total of two, not two (2) of each.
  - (D) Each day leave of absence will also result in an eight (8) hour deduction unless leave was for authorized Union business.
  - (E) Each day on compensation, lay-off, or authorized leave of absence for Union business will not result in any deduction, but you must average twenty (20) hours per week to achieve the two (2) hour credit for perfect attendance for that month.

- (F) Note: Absenteeism for:
- Jury duty
  - Death in family as per agreement
  - Paternity (one day) leave
  - Vacation
  - Attendance Time will not result in any deductions.

4. (A) All hours accumulated during the year must be taken off by the end of the following year. This time off must be scheduled ahead of time with the Supervisor, and will be considered the lowest priority (all other employees regular vacations will have priority). When taking time off for perfect attendance, the time must be taken in eight (8) or twelve (12) hour increments (depending on whether you are working eight (8) or twelve (12) hour shift), unless you have less than eight (8) hours and then it must be taken all at once. Example: You have four (4) hours; you must take four (4) hours once, not two (2) hours twice. Attendance time can also be used when calling in sick in lieu of being recorded as absent.

EXAMPLE 1:

Month	Attendance	Accumulated Hrs.	
Jan. 1990	Perfect Attend.	Hours	2
Feb. 1990	Call-in	Hours 2 - 8=	(6)
Mar. 90/Nov. 90	Perfect Attend	Hours (6) +18=	12
Dec. 90/Sat. 3-11	Giveaway	Hours 12 - 4=	8
	TOTAL HOURS AT YEAR END IS		8

EXAMPLE 2:

Month	Attendance	Accumulated Hrs.	
Jan.90/June 90	Perfect Attend.	Hours 6 x 2 =	12
July 1990	Late	Hours 12 - 2 =	10
Aug. 1990	Perfect Attend	Hours 10 + 2 =	12
Sept. 1990	No Punch (in/out) (After Grace)	Hours 12 - 2 =	10
Nov.90/Dec.90	Perfect Attend	Hours 10 + 4 =	14
	TOTAL HOURS AT YEAR END IS		14

- (B) Hours accumulated during the year can be converted into cash or RRSP contribution. Hours accumulated will be paid out at straight time from the employees average hourly work rate, during the previous year.

**LETTER OF UNDERSTANDING "G"  
RE: 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 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.
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 Agreement shall, together with the cost-of-living allowance soft float accumulated under the 2019-2022 Agreement, be rolled into the Base Rate upon ratification of the next Agreement following the 2019-2022 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 terms of this Agreement.

## **LETTER OF UNDERSTANDING "H" RE: PROFIT SHARING PLAN**

The Company will establish a Profit Sharing Plan (P.S.P.) calculated and paid in accordance with the following:

1. An employee will be eligible to participate in the Plan:
  - (a) Effective on the day following the date he/she completes his/her probationary period, as specified in the Collective Agreement, and
  - (b) Provided the employee is on the payroll of the Company on the last day of the quarterly period for which the payment is calculated, except that an employee whose employment is or was terminated before such date for any of the following reasons shall be considered eligible during the quarterly period in which such termination occurs:

- (1) Retirement on a pension under the provisions of the Pension Plan Agreement,
- (2) Death,
- (3) Laid off for lack of work as provided under Clause 14.04 (e) of the Collective Agreement, in which event, the employee shall be paid the Plan payment on the first regular Plan payment date following the date of his/her return to work after recall as provided in the Collective Agreement. If the former employee fails to return to work within the period specified in the Collective Agreement or ceases to be entitled to recall, he/she shall forfeit his/her entitlement to such Plan payment.

2. The rate applicable under the Profit Sharing Plan shall be paid for:

- (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 8782 union business, whether paid by the Company or not.
- (c) 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 / compassionate leave, Personal Emergency Leave, Family Caregiver Leave, Family Medical Leave, Critically Ill Child Care Leave, Organ Donor Leave or Crime-Related Death or Disappearance Leave.

Such absences, specified in this paragraph 2(c), will be credited as contributory hours at the rate of up to forty (40) hours per week.

Such hours will be to a maximum of five hundred (500) hours in a quarter by an employee, but shall not be increased by reason of having been earned in overtime. Hours not worked, with the exceptions of hours referred to above, even though compensated in accordance with a specific provision of the Collective Agreement and deemed to be hours worked for other purposes, shall not be considered to be hours worked for the purpose of this Plan.

3. The Company and the Union have agreed that all employees will be expected to perform their work duties to the full scope of the job, including all the inherent functions which may not be specifically described.
4. It is understood and agreed that any employee eligible under the provisions of this Plan who participates in a strike, shall forfeit the greater of any entitlement to payment from the date of his/her participation to the end of such quarterly period or the entitlement to payment for the last two pay periods in such quarterly period.

Participation in a strike continuing into the next quarterly period will result in the further application of the paragraph above.

5. Payment will be based on Lake Erie Works Profitability, as follows:

a) Profitability

Profitability will be calculated on the basis of Lake Erie Works EBITDA (Earnings before Interest, Taxes, Depreciation, Amortization,) as established between the Parties.

b) Profit Sharing Percentages and Profitability Thresholds

- (i) "Lake Erie Component" (Pool) = 6.5% of EBITDA in excess of \$25,000,000 (Profitability Threshold).
- (ii) "Lake Erie Active Employee Component" = 6.5% of EBITDA in excess of \$25,000,000 (Profitability Threshold) multiplied by 80%.
- (iii) "Lake Erie Retiree Component" = 6.5% of EBITDA in excess of \$25,000,000 (Profitability Threshold) multiplied by 20%.

c) Total Profit Sharing Calculation -Quarterly Profit Sharing Payment per Active Local 8782 Lake Erie Works Employee:

- i)  $((\text{Lake Erie Quarterly EBITDA} \text{ minus } \$25,000,000) \times 6.5\% \times 80\%)$  divided by total hours worked by active Local 8782 Lake Erie Works employees. This rate per hour will be multiplied by the hours worked by individual employees (maximum 500) to calculate the payment for each 8782 Lake Erie Works employee.
- ii) Maximum Profit Sharing payment for each quarter is \$3,500 per active Local 8782 Lake Erie Works – Pickle Line employee (subject to a maximum of \$14,000 per year per active Local 8782 Lake Erie Works employee).

d) Profit Sharing Calculation – Quarterly Profit sharing Payment for Lake Erie Works retired employee.

- (i) The "Lake Erie Retiree Component" Profit Sharing Payment will be calculated as  $((\text{Lake Erie Quarterly EBITDA} \text{ minus } \$25,000,000) \times 6.5\% \times 20\%)$  divided by the total number of Plan Participants as of the end of the quarter for which the calculation is being made. The payment will be distributed amongst retirees on an equal basis (subject to a maximum of \$3,500 per quarter, per retired employee and a maximum of \$14,000 per year).
- (ii) For this purpose, plan participants consist of retired employees

(excluding those with deferred pensions) and survivors of deceased retired employees (excluding those with deferred pensions).

In accordance with the provisions of Paragraph 2 above, the quarterly profit sharing payments will be paid on an hourly basis.

The current period EBITDA shall be calculated based on all tonnage shipped, including shipments to other Stelco business units. Where Lake Erie Works production is shipped to other Stelco entities it is understood that Lake Erie Works will receive fair market value. The profit margin per tonne on these slabs and coils shall not be less than the profit margin on goods shipped to arms length customers. If the margins per tonne on the inter unit shipments is less than the margin on arms length transactions the margin per tonne, and therefore EBITDA, will be adjusted to make it equal to arms length customers.

e) Audit

A mutually agreeable independent accredited auditing firm shall be appointed to audit all data required for the income sharing payment calculations and shall perform such calculations on behalf of the parties.

The independent auditor shall have the authority to recover overpayments and correct underpayments. Overpayments shall be recovered by being offset against the next future payment(s). Underpayments shall be paid as soon as practicable. In any event, payment made with respect to any year shall become final ninety (90) days after the date on which it is paid.

The Company shall pay the reasonable cost of the independent auditor. The Parties shall attempt to minimize this expense through the sharing of information as outlined in Clause 7 below.

f) Accounting Practices

It is recognized that changes in accounting practices or other material changes may impact on the PSP calculations, leading to inconsistencies between the Base Period and the current. In the event of any change in methodology of accounting for any of the components of the Lake Erie Works Profitability which results in the current period Profitability being calculated on a different basis than the Base Period Profitability, the current period Profitability shall be adjusted to the degree necessary to make the percentages comparable to the previous calculations.

If it is necessary to modify the calculation of the Profitability, the Parties shall meet to discuss changes which may be required. If the Parties are unable to agree, the matter shall be referred to the independent auditor for resolution. The auditor shall make a determination based on the following: (a) the terms of this agreement, (b) changes must be consistent with past practice to the greatest degree possible, and (c) changes in the calculation of the Profitability must be such that real changes in Lake Erie performance are recognized.

6. Plan payments will be paid as soon as practical after the public issuance of Stelco Inc.'s quarterly or annual financial statements.

Payment Schedule

Quarter 3 – July 1, 2017 – September 30, 2017	November 15, 2017
Quarter 4 – October 1, 2017 – December 31, 2017	March 31, 2018
Quarter 1 – January 1, 2018 – March 31, 2018	May 15, 2018
Quarter 2 – April 1, 2018 – June 30, 2018	August 15, 2018
Quarter 3 – July 1, 2018 – September 30, 2018	November 15, 2018
Quarter 4 – October 1, 2018 – December 31, 2018	April 1, 2019
Quarter 1 – January 1, 2019 – March 31, 2019	May 15, 2019
Quarter 2 – April 1, 2019 – June 30, 2019	August 15, 2019

7. As soon as practicable following the release of Stelco Inc.'s quarterly results the Senior Level Committee will meet to discuss the performance of the business for the preceding quarter. Such discussion will include a review of selling prices, costs, production and other information relating to the Profit Sharing calculations. It is agreed that the review of selling prices will include disclosure of market value assessments for steel transfers between Lake Erie Works and Hamilton Works for the previous quarter and anticipated market values for the next quarter.
8. In recognition of the fact that the P.S.P. has been developed as a means of enhancing retirement incomes, the first two hundred and ten dollars (\$210.00) generated in any quarter shall be contributed directly to employees' individual accounts in the Manulife Account.

Upon the employee's instruction, the Company agrees to transfer all or a portion of the remaining P.S.P. payment directly to the tax sheltered investment provided through the payroll deduction plan agreed to by the Company and Union.

It is understood that this provision is subject to mutual agreement as to the regulations of the Payroll Deduction Plan.

**LETTER OF UNDERSTANDING "I" – EDUCATION FUND**

The Company and the Union agree to establish a fund for the purpose of Union Education. The Company will donate two thousand and five hundred dollars (\$2,500) on July 1 in the third year of the contract. 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 administration of the Education Fund.

## **LETTER OF UNDERSTANDING “J” RE: VACATION SELECTION PROCESS**

The Company agrees that in order to comply with Article 22.10 they will meet with the Union no later than October 1<sup>st</sup> of each calendar year to discuss a mutually agreeable vacation schedule for the following year. Once the procedure has been formalized between the parties it shall be posted prior to the November 1<sup>st</sup> vacation booking start.

## **LETTER OF UNDERSTANDING “K” RE: ENVIRONMENTAL MEETINGS**

The union co-chair of the Joint Health & Safety Committee or delegate may meet with the Environmental Manager, Lake Erie Works or delegate not more often than once per month at a time mutually agreed to by both parties. They shall discuss environmental issues related to Lake Erie Works with a mutually agreed to agenda being developed one week prior to the meeting.

## **LETTER OF UNDERSTANDING “L” RE: EMERGENCY CALLS**

The company has agreed to notify the Union co-chair of the Joint Health & Safety Committee via telephone of all ambulance calls of which the Manager – Health and Safety is notified, at such time as he/she is advised.

Fire investigation reports and audits will be provided to the Union Co-chair as available.

## **LETTER OF UNDERSTANDING “M” RE: DISCRIMINATORY HARASSMENT**

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

"Stelco Inc. 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, sexual orientation, disability, age, record of offences, marital status, same-sex partnership status, family status, 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 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/her.
  - 2. The Appeal Committee will be composed of one person designated by the United Steelworkers District 6 Director as referenced in the Union's Policy document re Discriminatory Harassment and one person appointed by the Company from the corporate office. 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.

#### **LETTER OF UNDERSTANDING "N" RE: CONTRACTOR INCIDENTS**

The Manager – Health and Safety will notify the Union co-chair of the Joint Health and Safety Committee and invite him/her to attend investigation meetings regarding contractor incidents which occur on site and which are being attended by the Manager – Health & Safety or his/her delegate. All contractor incident reports received by the Manager – Health and Safety will be copied to the Union Co-Chair of the Joint Health and Safety Committee.

#### **LETTER OF UNDERSTANDING "O" RE: HAMILTON WORKS EMPLOYEES PERMANENT TRANSFER TO LAKE ERIE WORKS – PICKLE LINES**

As a result of recent increases in operating levels at the Lake Erie Works – Pickle Lines, Hamilton Works employees now have the opportunity to apply for consideration to fill permanent production vacancies at the Lake Erie Work – Pickle Lines.

This opportunity is open to all production operators in Hamilton Works. Management reserves the right to deny the transfer of an employee if operation needs require. Please be advised that selected applicants will be subject to a standard interview and selection process. Successful applicants must be medically fit and possess the necessary basic skills to perform the available work and will be assigned to these production vacancies at the sole discretion of the Company, with consideration being given to the employee's skills and background.

Successful candidates will be permanently transferred to Lake Erie Works – Pickle Lines and granted service for purposes of Pension, Group Insurance and Vacation Entitlement, provided such person successfully completes the normal 760 hour probationary period in effect at the Lake Erie Works – Pickle Lines.

If deemed by Management that the employee has not successfully completed the required 760 hour probationary period, the employee will have the right to return to Hamilton Works in accordance with Section 7.06 of the Hamilton Works Basic Agreement. Management

reserves the right to waive the probationary period requirement for certain employees based on their previous Pickle Line work performance, knowledge, skills and abilities at the sole discretion of the Company.

Permanently transferred employees with a Company Start Date prior to July 7, 2011 will be enrolled in the Lake Erie Works – Pickle Line Defined Benefit pension plan, while those employees with a Company Start Date after July 7, 2011 will be enrolled in the Lake Erie Works – Pickle Line Defined Contribution Group RRSP program. Effective the date of permanent transfer, the employees will be enrolled in the Lake Erie Works – Pickle Line health benefits and will earn the rate of pay outlined in the Wage Schedule for the Lake Erie Works – Pickle Lines. The Pickle Line Collective Agreement will be applicable to the Hamilton Works transfers as of the effective date of permanent transfer.

The employee's work assignment and hours of work will be based on operational needs.

Employees considering a permanent transfer to the Lake Erie Works – Pickle Lines must complete the form accompanying this Letter of Agreement prior to assignment to the initiative. The completed form should be forwarded to Employee Relations – Philip La Macchia or Paulette DeRosa – located in the Hamilton Works Wilcox office.

Date: June 22, 2012

Signed by the following:

For the Company: Jodi Koch

For Local 8782: Robert Newstead

For Local 1005: Rolf Gerstenberger

## **LETTER OF UNDERSTANDING “P” RE: SENIOR LEVEL COMMITTEE**

In order to provide the basis for a more co-operative relationship through the exchange of information, the Parties recognize the value of Union input to the decision making process through employee involvement, as well as the development and implementation of resolutions to matters arising from the administration of the Collective Agreement. To this end, the Parties have agreed to establish the Senior Level Committee as outlined in Article 1 of the Collective Agreement.

Within the general mandate of the Senior Level Committee as established in Clause 1.02 (c), the following subjects will form the main, but not exclusive subjects for discussion by this Committee:

- a) WORKPLACE REORGANIZATION
- b) TRAINING
- c) CONTRACTING OUT
- d) TECHNOLOGICAL CHANGE
- e) WORKFORCE SCHEDULING
- f) CONTINUOUS BUSINESS IMPROVEMENT
- g) WORKFORCE REVITALIZATION AND THE BUSINESS PLANNING PROCESS
- h) CAPITAL EXPENDITURE DECISIONS

It is further understood that Senior Level Committee responsibilities may, upon mutual agreement, be extended to designates of the Senior Level Committee.

### **a) WORKPLACE REORGANIZATION**

With respect to workplace reorganization, the Parties have agreed that the ongoing review of Bargaining Unit Job Descriptions (and their respective organizational structures), and process or operating procedure improvements, is an integral component in assuring the economic viability of the operation.

While it is not the intention of the Parties to interfere with the day-to-day activities of the June 2003 job evaluation system and related procedures as referred to in Article 31 of the Collective Agreement, the Senior Level Committee will review workplace

reorganization concepts, and upon mutual consent, will establish appropriate strategies to investigate, co-ordinate and develop reorganization initiatives.

The preparation of a report of all findings shall be conducted by a working committee comprised of Senior Level Committee designates, Union-appointed representatives of the employees holding the positions involved in the initiative and Management-appointed representatives of their supervision. The report shall be presented to the Senior Level Committee where it will be reviewed and forwarded to the Company and Union for review under Article 31. The Job Evaluation Committee will describe and classify any new or changed duties resulting from the workplace reorganization initiative. The Job Evaluation Committee shall submit its findings to the Senior Level Committee for final approval and resolution.

**b) TRAINING**

The parties agree to jointly develop a Pickle Lines Training Plan which will be based on identified needs and objectives. Training which is well planned and designed is not only effective, it is an integral component of the operation's ongoing success.

The contents of this Training Plan will be the existing training programs which all employees have completed or are scheduled to complete (e.g. Level 1 and Level 2 Health and Safety and the Co-op Skilled Trades Replacement Program) as well as those programs to which the Joint Trades Training Committee or the Managers and Chief Stewards have mutually agreed.

While the Parties acknowledge the necessity to continue with existing training programs, the Senior Level Committee may review and make recommendations, where appropriate, for change to any current program. Upon mutual agreement, these training programs shall be incorporated under the Training Plan.

Discussions with respect to the development of new training programmes shall include:

(i) Needs Analysis:

The assessment and determination of training needs toward the development and implementation of Pickle Lines Training Programmes.

(ii) Training Design:

Determination as to the design of the training programme, who will receive training, scheduling, and the selection of instructors.

(iii) Programme Content Development:

Determination as to the type and content of courses in the training programme, based on their relevance to the training objectives and to the trainee population.

(iv) **Training Delivery:**

This shall include issues with respect to classroom instruction, on-the-job training, the location of such training, and whether or not such training is conducted during working hours.

(v) **Evaluation and Revision:**

The formal monitoring, evaluation and where applicable the revision of the training programme. Such evaluation and formal monitoring may occur during as well as at the conclusion of the programme to ensure effectiveness.

**c) CONTRACTING OUT**

With respect to Contracting Out the parties are committed to the productive utilization of Bargaining Unit employees so as to minimize the requirement for the contracting out of work.

**d) TECHNOLOGICAL CHANGE**

The Parties have recognized the potential negative impact of technological change on the employees of Pickle Lines. However, in many ways technological change can have a very positive effect on the viability of the business and the employee's quality of working life. Therefore, where the potential exists for the introduction of any anticipated permanent, technological, operational or organizational change, a meeting will be convened of the Senior Level Committee for the purpose of discussing all aspects of the potential change. If the potential change has anticipated effects on employees, all information pertaining to such change, to the extent known at the time will be presented and discussed by the representatives of the Senior Level Committee.

**e) WORKFORCE SCHEDULING**

The parties have agreed that it is essential to ensure that operational requirements are both met and maintained. To this end, the Senior Level Committee does not intend to interfere with the regular day-to-day scheduling activities. However, it is recognized by the Parties that the effective development and utilization of workforce schedules is important not only to the operation, but to the individuals who work these schedules. Therefore, workforce scheduling will be a subject of review and discussion by the Senior Level Committee for the purposes of reaching mutually agreeable resolutions to the following areas:

- i)
  1. The development of any new scheduling agreement between the parties as provided for in this Collective Agreement.
  2. The development and utilization of work schedules that are intended to facilitate the demands of breakdowns and downturns as well as promote and enhance the productivity of a specific task or work assignment.
  3. Unresolved departmental issues pertaining to yearly vacation scheduling, statutory holiday scheduling and changes in the hours of work.

**f) CONTINUOUS BUSINESS IMPROVEMENT**

The Company and the Union are committed to a process of continuous improvement in order to ensure the economic, viability of our business, which will in turn support a qualified and cost effective yet highly skilled and efficient workforce.

The Parties acknowledge that there is a commitment to resolve or to minimize any adverse effects resulting from the implementation of any Business Improvement on the workforce in keeping with the practice of the Parties related to previous departmental restructurings.

In order to give effect to the above commitments the Parties have agreed to a Letter of Agreement which further outlines the criteria to be utilized for assessing any Business Improvement initiatives including but not limited to Workplace Reorganization (a) and Contracting Out (c).

The senior level committee will establish a sub-committee, the Stelco Maintenance Excellence Program (SMEP) with a mandate which includes examination and review of ways and means to:

- Maximize cost effectiveness
- Improve maintenance costs per ton of steel produced
- Increase availability of production units
- Improve Quality Standards

Business Improvement concepts that do not fall within the jurisdiction of the SMEP or are raised subsequent to the completion of the SMEP Project will be reviewed on the same basis as those within the jurisdiction of SMEP. The Senior Level Committee will act as a stand alone Committee for the purpose of reviewing Business Improvement concepts at the Pickle Lines and effecting the decisions of the Committee.

**g) WORKFORCE REVITALIZATION AND THE BUSINESS PLANNING PROCESS**

i) Commitment of the Parties

The parties are committed to:

1. The establishment and preservation of a highly skilled and efficient bargaining unit workforce; and
2. The productive utilization of bargaining unit employees in accordance with the provisions of Contracting Out (c) and Continuous Business Improvement (f).

ii) Annual Business Plan

In order to best give effect to these commitments, the Company agrees to review its Annual Business Plan with the Union. Such plan shall incorporate an analysis of, among other things, the following:

1. Determination of the number of bargaining unit employees in each area, including a detailed analysis of those employees who are absent from work and have been for a prolonged period for any reason such as long term disability, Union business and the likely duration of their absence. This analysis is also to include a review of the vacation entitlement in the area as well as the hours worked including overtime. The information discussed will be based on data from the most recent 12 month period which is available.
2. Assessment of both the current and anticipated rate of attrition over the next five (5) years.
3. Examination of any issues/concerns related to those items identified.
4. Assessment of training requirements in order to support the Annual Business Plan.

Discussions on the Annual Business Plan will be held at the Senior Level Committee or by mutual agreement, be extended to the designates of the Senior Level Committee.

The Company shall provide the Union, within a specified time period, a full opportunity to review and discuss the Annual Business Plan prior to its implementation. It is understood that the sharing and discussing of information is to remain confidential.

Should the parties agree to changes in the Annual Business Plan based on the above discussions, such changes will be made by the Company and will be reflected in the Annual Business Plan.

**h) CAPITAL EXPENDITURE DECISIONS**

The parties agree that capital expenditure decisions have a significant impact on both the future viability of the Company and the employment security for bargaining unit employees. Accordingly, the Company agrees that prior to seeking approval by the Bedrock Industries LLC Board of Directors for its Annual Capital Expenditure Plan at the Pickle Lines, the Company shall provide a copy of the Plan to the Union.

The Union and the Company, through the Senior Level Committee, shall have discussions on the Pickle Lines Annual Capital Expenditure Plan with a view to obtaining Union support for such a Plan. Should the Union not agree with the Company on the Pickle Lines Annual Expenditure Plan, it shall have an opportunity to communicate its views to the Bedrock Industries LLC Board of Directors prior to the Board making any decision on the Pickle Lines Annual Capital Expenditure Plan.

Discussion and information related to Capital Expenditure Decisions is to remain confidential from the Pickle Lines.

**LETTER OF UNDERSTANDING "Q"**  
**RE: SUPPLEMENTARY PAYMENT PLAN FOR BARGAINING UNIT EMPLOYEES**

The Company will establish a Supplementary Payment Plan (hereinafter referred to as the Plan) calculated and paid in accordance with the following:

1. Attached hereto as Appendix "A" is a cents per job class scale which will be applicable for payment to all jobs on which an "incentive differential" is not applicable on the specified effective dates. This rate scale shall be called the "full scale".
2. Subject to paragraph 7, Plan payments will be paid by the middle of the month immediately following the end of each of the following quarterly periods:

Quarterly Period:

June 18, 2017 to September 23, 2017  
September 24, 2017 to December 16, 2017  
December 17, 2017 to March 24, 2018  
March 25, 2018 to June 30, 2018  
July 1, 2018 to September 22, 2018

Paid During Month Of:

October 2017  
January 2018  
April 2018  
July 2018  
October 2018

September 23, 2018 to December 15, 2018  
December 16, 2018 to March 23, 2019  
March 24, 2019 to June 29, 2019

January 2019  
April 2019  
July 2019

3. An employee will be eligible to participate in the Plan:
  - (a) Effective on the day following the date he/she completes his/her probationary period, as specified in the Collective Agreement, and
  - (b) Provided the employee is on the payroll of the Company on the last day of the quarterly period for which the Bonus is calculated as provided in Item 2 above, except that an employee whose employment is or was terminated before such date for any of the following reasons shall be considered eligible during the quarterly period in which such termination occurs:
    - (i) Retirement on a pension under the provisions of the Pension Plan Agreement,
    - (ii) Death,
    - (iii) Laid off for lack of work as provided under Clause 14.07 of the Collective Agreement, in which event, the employee shall be paid the Plan payment on the first regular Plan payment date following the date of his/her return to work after recall as provided in the Collective Agreement. If the former employee fails to return to work within the period specified in the Collective Agreement or ceases to be entitled to recall, he/she shall forfeit his/her entitlement to such Plan payment.
4. The rate applicable under the Plan 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 specified 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 Plan.
5. Payments made to an employee under this Plan 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 work duties to the full scope of the job, including all the inherent functions which may not be specifically described. As an example of the above, employees will perform those job duties which may be required in order to expedite any given production, repair or maintenance assignment, providing the employee has the qualifications to perform these duties.

In the event that any question arises as to the application and interpretation of this Item, such question will be the subject of discussion between the Human Resources Manager and the Unit Chairperson of the Local Union or their respective delegates.

7. (a) It is understood and agreed that any employee eligible under the provisions of this Plan who participates in a strike, shall forfeit the greater of any entitlement to payment from the date of his/her participation to the end of such quarterly period or the entitlement to payment for the last two pay periods in such quarterly period.

(b) Participation in a strike continuing into the next quarterly period will result in the further application of paragraph (a) above.

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

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**APPENDIX "A"**

<b><u>Job Class</u></b>	<b><u>Full Scale</u></b>
<u>1</u>	<u>25.0</u>
<u>2</u>	<u>26.0</u>
<u>3</u>	<u>26.0</u>
<u>4</u>	<u>30.0</u>
<u>5</u>	<u>35.0</u>
<u>6</u>	<u>40.0</u>
<u>7</u>	<u>45.0</u>
<u>8</u>	<u>50.0</u>
<u>9</u>	<u>55.0</u>
<u>10</u>	<u>60.0</u>
<u>11</u>	<u>65.0</u>
<u>12</u>	<u>70.0</u>
<u>13</u>	<u>75.0</u>
<u>14</u>	<u>80.0</u>
<u>15</u>	<u>85.0</u>
<u>16</u>	<u>90.0</u>
<u>17</u>	<u>95.0</u>
<u>18</u>	<u>100.0</u>
<u>19</u>	<u>105.0</u>
<u>20</u>	<u>110.0</u>
<u>21</u>	<u>115.0</u>
<u>22</u>	<u>120.0</u>
<u>23</u>	<u>125.0</u>
<u>24</u>	<u>130.0</u>
<u>25</u>	<u>135.0</u>
<u>26</u>	<u>140.0</u>
<u>27</u>	<u>145.0</u>
<u>28</u>	<u>150.0</u>

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**LETTER OF UNDERSTANDING "R"**  
**RE: FUND PAYMENT**

The Company will establish a payment plan referred to as the "Fund" calculated and paid in accordance with the following:

1. Attached hereto are cents per hour job class scales which will be paid for all hours worked by an employee for each job on which an employee worked during the period multiplied by the number of hours worked on each such job. The applicable rate shall not be increased by reason of having been earned for work performed during hours for which an overtime or other premium has been paid.
2. Fund payments will be made at the end of the month immediately following the end of each of the following periods:

Quarterly Period:

May 7, 2017 to August 12, 2017  
August 13, 2017 to November 18, 2017

November 19, 2017 to February 10, 2018  
February 11, 2018 to May 19, 2018  
May 20, 2018 to August 11, 2018  
August 12, 2018 to November 17, 2018

November 18, 2018 to February 9, 2019  
February 10, 2019 to May 18, 2019  
May 19, 2019 to August 10, 2019

Paid During Month Of:

August 2017  
November 2017

February 2018  
May 2018  
August 2018  
November 2018

February 2019  
May 2019  
August 2019

<u>Job Class</u>	<u>August 1, 1992</u>
<u>1</u>	<u>25.0</u>
<u>2</u>	<u>27.3</u>
<u>3</u>	<u>29.6</u>
<u>4</u>	<u>31.9</u>
<u>5</u>	<u>34.2</u>
<u>6</u>	<u>36.5</u>
<u>7</u>	<u>38.8</u>
<u>8</u>	<u>41.1</u>
<u>9</u>	<u>43.4</u>
<u>10</u>	<u>45.7</u>
<u>11</u>	<u>48.0</u>
<u>12</u>	<u>50.3</u>
<u>13</u>	<u>52.6</u>
<u>14</u>	<u>54.9</u>
<u>15</u>	<u>57.2</u>
<u>16</u>	<u>59.5</u>
<u>17</u>	<u>61.8</u>
<u>18</u>	<u>64.1</u>
<u>19</u>	<u>66.4</u>
<u>20</u>	<u>68.7</u>
<u>21</u>	<u>71.0</u>
<u>22</u>	<u>73.3</u>
<u>23</u>	<u>75.6</u>
<u>24</u>	<u>77.9</u>
<u>25</u>	<u>80.2</u>
<u>26</u>	<u>82.5</u>
<u>27</u>	<u>84.8</u>
<u>28</u>	<u>87.1</u>

In the event that any new facility is established at Pickle Lines during the term of this Agreement and where such facility may have occupations comparable to occupations at Lake Erie Works on which incentive differentials or other special payments are applicable, the Company will meet with the Union to discuss the application, if any, of these monies to the level of Fund payments. Included in such discussion will be the amount of special payments available, the application of these payments to the Pickle Lines Fund and the date of establishing a new scale of Fund payments if applicable.

**LETTER OF UNDERSTANDING "S"  
RE: DAY "T" SCHEDULE**

This letter serves to confirm the parties agree to the following terms and conditions for the implementation of a twelve (12) hour Day "T" Pattern schedule for Local 8782 Pickle Line employees.

1. A Day "T" schedule will be established consisting of seven (7) twelve (12) hour day shifts totaling eighty-four (84) hours for a two (2) week period as set out per the pattern below:

	<b>SMTWTFS</b>	<b>SMTWTFS</b>
<b>Days</b>	<b>A - - A A - -</b>	<b>- A A - - A A</b>
<b>Days</b>	<b>- B B - - B B</b>	<b>B - - B B - -</b>

2. After eight (8) hours of straight time worked, overtime rates (at 1 1/2 times regular rate) will be paid to an employee for the last four (4) hours worked on **each** scheduled Thursday shift. This will be comparable to the eight (8) hours overtime normally paid on the scheduled Thursday day shift 21<sup>st</sup> turn on a standard "T" pattern schedule.
3. The above schedule designated hour period equals 168 hours consisting of two (2) consecutive bi-weekly pay periods.
4. Due to operational needs, there may be times where employees will be required to change their work schedule. Appropriate notification will be provided in such instances.
5. It is understood that any current outstanding grievances in regards to payment of the 21<sup>st</sup> turn overtime premium on the Day "T" pattern will be deemed resolved as of the signing and application of this letter.

It is understood and agreed that this agreement relates specifically to the issue of this particular workforce scheduling need under the terms and conditions, as outlined herein, and is without precedent or prejudice to either party or to the provisions of the 2014 Basic Agreement.

Signed this day the \_\_\_\_\_ of \_\_\_\_\_,

\_\_\_\_\_  
For the Company

\_\_\_\_\_  
For the Local Union

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