

COLLECTIVE AGREEMENT

Between

INDEPENDENT SPECIALTY STEELS LTD.

and

**UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING, ENERGY, ALLIED
AND INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL UNION
(UNITED STEELWORKERS)
ON BEHALF OF LOCAL NO. 2952**

February 1, 2006 to January 31, 2011

Errors & Omissions Excepted
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1.03 **PICKET LINE** – No employee shall be required to cross a picket line which has been recognized by a court of jurisdiction. Refusal to cross a picket line as herein set forth shall not constitute a violation of the Agreement.

ARTICLE 2 - DEFINITION OF EMPLOYEE

2.01 The term "employee" as used in and for the purpose of this Agreement shall include those employees of the Company at and from the Company's present or relocated premises for which the Union is certified, except those employees excluded by the Labour Relations Code of British Columbia.

ARTICLE 3 - MANAGEMENT

3.01 Management rights exercised by the Company, unless expressly limited by this Agreement, are reserved to and are vested exclusively in the Company. Provided, however, that this Article will not be used in a discriminatory manner against any employee or group of employees.

ARTICLE 4 - UNION SECURITY PROVISIONS

4.01 Membership

The Company agrees that all employees covered under this Agreement, and all new employees hired subsequent to the effective date of this Agreement shall, as a condition of their hiring or continued employment:

- (a) authorize the Company in writing to deduct union dues from their pay.
The Union will provide a *Check-off Authorization* to the Company for this purpose, the "copy" portion of which is to be mailed by the Company to the servicing staff office of the United Steelworkers at 7820 Edmonds Street, Burnaby, B.C. V3N 1B8.
- (b) become members of the Union after completing his probationary period, and as a condition of continued employment maintain membership in the Union in good standing.
- (c) complete and sign a Union Death Benefit card provided by the Union to the Company for such purpose, which will be mailed to the servicing staff office with the Union portion of the Check-off Authorization as per Article 4.01 (a).

4.02 Check-Off: Process and Procedures

- (a) The Company shall deduct from the pay of each member of the bargaining unit, an amount equivalent to the monthly dues, fees and assessments prescribed by the International Constitution of the United Steelworkers.
- (b) The Union will give reasonable notice to the Company of any changes in Union dues, fees or other amounts which the Company is required to deduct. All changes will coincide with the beginning of the Company's next pay period.

- (c) Cheques will be made payable to International Secretary-Treasurer, United Steelworkers, Unit D, Box 34223, Vancouver, B.C. V6J 4N1, made payable aforesaid and prior to the 15th of the month next following that in which the deductions apply.
- (d) The monthly remittance shall be accompanied by a completed USW R115 Form (a summary of the dues calculations made for the month, each month), as well as a statement showing the names of each employee from whose pay deductions have been made and the total deducted for the month. Such statements shall also list the names of the employees from whom no deductions have been made and the reason why, ie W.C.B., W.I., laid off, etc.
- (e) A duplicate R115 Form and employee deduction statement as in (d) above shall be forwarded by facsimile to:
- United Steelworkers, Local 2952
Attn: Financial Secretary @ (604) 525-4568
- (f) The Company agrees to print the amount of total deductions paid by each employee for the previous calendar year on their annual statement of Remuneration (T4 slip).
- (g) The Union agrees to indemnify and save the Company harmless against all claims or other forms of liability that may arise out of, or by reason of deductions made or payments in accordance with this Article.

ARTICLE 5 - HOURS OF WORK

- 5.01 DAY SHIFT** - The standard work day will consist of eight (8) hours and start up time(s) will be assigned between 6:00 a.m. and 8:00 a.m. with a designated thirty (30) minute lunch period.
- 5.02 AFTERNOON SHIFT** - Where a second shift is employed, the hours of work will be seven and one-half (7 1/2) for which eight (8) hours will be paid, plus a premium of fifty cents (\$.50) per hour. Start up time(s) will be assigned between 1:30 p.m. and 5:30 p.m. There will be a thirty (30) minute lunch period.
- 5.03 NIGHT SHIFT** - Where a third shift is employed, the hours of work will be seven (7) for which eight (8) hours will be paid, plus a premium of seventy cents (\$.70) per hour. Start up time(s) will be assigned between 10:30 p.m. and 1:30 a.m. There will be a thirty (30) minute lunch period.
- 5.04 CHANGE OF START AND STOP TIMES** - By mutual agreement between the Company and the Union Plant Committee the regular starting and stopping times of standard work shifts may be changed.
- 5.05 REGULAR WEEK** - Five shifts, Monday to Friday inclusive, will constitute a regular week's work on all shifts.

5.06 WORK PERFORMED ON SATURDAY, SUNDAY AND PLANT HOLIDAYS

- (a) Double rate will be paid for work performed on:
- Saturdays
 - Sundays
 - on Plant Holidays as listed in Article 6
- (b) Double rate will not be paid for work performed:
- On a night shift, when completing the fifth weekly shift on Saturday after midnight Friday.
 - to complete a night shift after midnight at the start of a Plant Holiday
 - on Saturday by employees on a Tuesday to Saturday work schedule, except when such Saturday is one of the Plant Holidays.
 - when commencing on a night shift on a Sunday prior to midnight and ending Monday morning.

5.07 OVERTIME

- (a) **OVERTIME - DAILY** - All overtime will be paid for at double rate.
- (b) **OVERTIME - VOLUNTARY** - The Parties are agreed that all overtime will be voluntary.
- (c) **OVERTIME MEAL** - Employees requested to work more than two (2) hours overtime cumulative on a shift, will be given one-half (1/2) hour on Company time to eat their lunch and will be given \$8.00 meal money.
- (d) **OVERTIME DISTRIBUTION** - Overtime will be distributed equitably among the employees commencing with the most senior classified employees, who have signified voluntarily that they will work overtime. Once all classified employees have had an opportunity to work overtime, it will be distributed equitably among qualified employees commencing with the most senior employees.

Qualified employees must be able to perform overtime duties at a competent level.

Due to the complexity involved in scheduling employees for overtime a fifteen (15) hour discrepancy between any employees will not constitute just cause for grievance. Discrepancies will be deleted at the end of each calendar year and will not carry over from that date.

The Company agrees to post monthly, a seniority list with overtime totals attached.

- (e) **OVERTIME - WHERE SHIFT PREMIUM PAID** - If overtime is worked on a shift where a shift premium is paid, the shift premium will not be included in the rate for the calculation of overtime.

(f) **BANKED OVERTIME** – The Company agrees to give the individual employee the option of choice between receiving overtime pay as per the above or the equivalent time off; to be taken in the calendar year in which it is earned and at a time which is mutually agreeable between the Company and the employee.

5.08 REST BETWEEN SHIFTS - Employees will have eight (8) hours rest between shifts. In the event an employee is recalled to work before such eight (8) hours elapse, he will be considered as still working on his previous shift and will be paid the appropriate premium rate for the hours worked.

The above will not apply where the shorter second shift hours do not allow eight (8) hour between shifts.

5.09 HOURS BEFORE AND BEYOND REGULAR SHIFTS - Hours worked before regular starting time and beyond regular quitting times shall be considered as overtime and paid at double rate for time worked, except when other arrangements are made by mutual agreement between the Company and the Union Plant Committee.

5.10 (a) LUNCH PERIOD - The mid-shift lunch period will be mutually arranged between the Company and the Union Plant Committee. If employees are required to work during the mid-shift lunch period they will be given an alternate lunch period but not more than four and one-half (4 1/2) hours from the shift start time or as mutually agreed upon.

(b) **REST PERIODS** – Employees will be allowed two (2) coffee breaks of fifteen (15) minutes each on Company time; one in the first half of each shift and one in the second half.

5.11 EMPLOYEE CHANGE OF SHIFTS - If an employee is required to change shift more than once in a calendar week he will be paid at double rate for the balance of the week, unless the second change is to return to his original shift.

5.12 (a) SHIFT CHANGE - Shift changes, listing individuals, will be posted on Thursday for the following week.

(b) **SHIFT ROTATION** – For the Vancouver Plant, shifts will rotate every two (2) weeks to allow employees equal time on each shift.

5.13 GUARANTEED DAY - Subject to the exceptions set forth in this Section and in Section 5.14, any employee reporting for work at the start of the employees' shift, will be guaranteed eight (8) hours work at the employee's regular job, or pay equal thereto, provided that, if there are insufficient hours of work available at the employee's regular job, the employee will perform such other work as may be assigned to the employee to qualify for such pay. This provision will apply only once each day and it will only apply to an employee's regular shift.

The provisions of this Section will not apply in case of shutdowns necessitated by emergencies beyond the control of the Company, or if the employee:

- 1 Voluntarily quits.
- 2 Was previously instructed not to report. In such event or circumstance the employee will then only be paid for the actual time he worked.
- 3 Does not work a full shift at his own request.
- 4 Reports for work on a shift for which he was not scheduled.

5.14 CALL TIME - Employees recalled to work after leaving the premises of the Company, after completion of their regular shift, will be paid double rate for all hours worked, with a guaranteed minimum payment of two (2) hours at double rate, i.e., four (4) hours at straight time rate.

5.15 WORK SHORTAGE - CREW REDUCTION - In the event of a work shortage or a reduction or discontinuance of operations, the Company will discuss with the Union for the purpose of considering shortening the working hours and/or working week as an alternative to laying off employees.

5.16 MAINTENANCE SHIFTS - TUESDAY TO SATURDAY - By mutual agreement between the Company and the Union a Tuesday to Saturday maintenance shift may be instituted. Where Tuesday to Saturday shifts presently exist they may continue. Employees on this Tuesday to Saturday shift will be paid twenty dollars (\$20.00) bonus for Saturday work.

ARTICLE 6 - PLANT HOLIDAYS

6.01 All employees covered by this Agreement will receive eight (8) hours' pay at their regular straight time rates for each of the following Plant Holidays (regardless of the day on which the holiday falls) in addition to any wages which they may be in receipt of for work performed on such holidays:

- | | | |
|-------------------|---------------------|---------------------|
| 1. New Year's Day | 5. Queen's Birthday | 9. Thanksgiving Day |
| 2. Heritage Day | 6. Canada Day | 10. Remembrance Day |
| 3. Good Friday | 7. BC Day | 11. Christmas Day |
| 4. Easter Monday | 8. Labour Day | 12. Boxing Day |
| | | 13. December 24th |

and any other day declared a Statutory Holiday by the Provincial and/or Federal Government.

FLOATING HOLIDAY

- (a) In lieu of Heritage Day, employees shall be entitled to a personal floating holiday.
- (b) To qualify for the holiday, employees must have completed thirty (30) calendar days employment and have worked sometime within the fourteen (14) day period before or the fourteen (14) day period after the third Monday in February.

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- (c) The personal floating holiday may not be taken in conjunction with another plant holiday or vacation except by mutual agreement between the employer and employee.
- (d) Employees may take their personal floating holiday during the non-prime time period by giving the employer two (2) weeks notice providing not more than one employee from each department takes it on any given work day.
- (e) During the prime time period, June 1st to September 30th, the holiday may only be taken by mutual agreement.
- 6.02** When Plant Holidays fall on Saturday or Sunday they will be celebrated on Monday, and when they fall on consecutive Saturday and Sunday or consecutive Sunday and Monday, they will be celebrated on the following Monday and Tuesday unless the Union and the Company agree on another date.
- 6.03** Should any of the above holidays occur during an employee's vacation period, he will be given an extra day's vacation with pay for each holiday to be taken at the beginning of or the end of the vacation period unless the employee and his immediate Supervisor mutually agree on another day.
- 6.04** In order to qualify for eight (8) hours' pay for the above Plant Holidays the employee must have completed thirty (30) calendar days employment with the Company.
- 6.05** Disciplinary action may be taken in instances where employees fail to work the day before or the day after a Plant Holiday except where permission was previously obtained or the employee had a justifiable reason for being absent.
- 6.06** Employees not actively employed because of:
- Lay-off
 - Unpaid leave of absence
 - Illness) and not eligible for W.C.B. payments for the involved
 - Injury) Plant Holiday(s)

and who work some time within the fourteen (14) day period prior to, or the fourteen (14) day period following the Plant Holiday(s) in question, will qualify for Plant Holiday pay for such Plant Holiday(s).

ARTICLE 7 - VACATIONS WITH PAY

- 7.01 a) Employees will receive vacations and be paid for the vacation in accordance with the following schedule:

<u>Years of Continuous Service</u>	<u>Vacation Period</u>	<u>Vacation Pay</u>
Less than one year	1 day for each major fraction of month worked (max. 10 working days)	4%
1 year but less than 3 years	2 weeks	4% or 2 weeks*
3 years but less than 7 years	3 weeks	6% or 3 weeks*
7 years less than 14 years	4 weeks	8% or 4 weeks*
14 years but less than 18 years	5 weeks	10% or 5 weeks*
18 years but less than 30 years	6 weeks	12% or 6 weeks*
30 years and over	7 weeks	14% or 7 weeks*

* pay at employee's current classified rate whichever is greater at the time the vacation is taken.

- b) Any employee hired after January 31, 2001, will be paid on a percentage of earnings basis if they work less than 1200 hours in any vacation year (cut-off date to cut-off date).
- 7.02 **VACATION ALLOTMENT – SICKNESS – INJURY – LAYOFF** For employees hired prior to February 1, 2001, authorized leave of absence for sickness or accident or other causes acceptable to the Company, excluding lay off beyond two months, shall not effect the employee's right in respect to vacations with pay. Employees who do no work for the Company during a vacation year, (cut-off date to cut-off date) will not receive any vacation pay but will still be entitled to the time off if they so request.
- 7.03 **CUT-OFF-DATE** - Employees vacation years will be adjusted to a cutoff date of May 31st.
- 7.04 **VACATION PERIOD** – Employees must schedule vacations for the prime time period, June 1st to September 30th, by May 1st of each year in order to receive preference of vacation periods in accordance with their seniority within departments and/or job groupings, to the extent they will not unduly interfere with production schedules. An employee's vacation schedule will be confirmed in writing by the employer by June 1st.
- 7.05 **VACATIONS EXCEEDING TWO WEEKS** - Vacations for the period October 1st to May 31st must be scheduled by January 15th and taken by May 31st. Vacations not scheduled by January 15th shall be done so by consultation between the Employer, employee and Shop Steward. If no agreement is reached, the employer may assign.
- 7.06 **VACATION SHUT-DOWN** - The Company reserves the right to shut down a part or all of an operation, for a part or all of a scheduled vacation, during the period of July 1st to August 31st. The date of the shut-down period will be announced by April 1st.

7.07 VACATION PAY - WHEN PAYABLE - Vacation pay will be paid a minimum of one (1) week but in no case more than two (2) weeks in advance of vacation. The amount of the vacation payment will relate directly to the portion of the vacation time entitlement which is being taken at that particular time.

7.08 VACATION PAY - ON TERMINATION - Employees who leave the employ of the Company will be paid vacation pay at the time of severance on the following percentage basis on the earnings of the employee for which vacation pay has not been previously paid.

Less than 3 years employment	4%
3 years but less than 7 years employment	6%
7 years but less than 14 years employment	8%
14 years but less than 18 years employment	10%
18 years but less than 30 years employment	12%
Over 30 years employment	14%

7.09 VACATION STATEMENT AND CHEQUE – It is agreed that the Company will pay vacation pay with a separate cheque and an itemized statement.

ARTICLE 8 - SENIORITY

8.01 (a) SENIORITY PRINCIPLE - The Parties recognize that job opportunity and seniority should increase in proportion to length of service. It is agreed that the term "seniority" as used herein, shall have reference to an employee's right to a job based upon his length of service with the Company, and his potential to efficiently fulfil the job requirements.

(b) All promotions, transfers, filling of vacancies, layoffs, terminations, and re-hiring after layoffs or termination will be done strictly in accordance with the principles set forth in 8.01 (a).

(c) PROBATIONARY PERIOD - Seniority of each employee covered by this Agreement will be established after a probationary period of forty-five (45) days worked which may be accumulated over a period of six (6) months.

(d) TERMINATION OF PROBATIONARY EMPLOYEE - Notwithstanding any other provision of this Agreement, the employment of a probationary employee may be terminated at the sole discretion of management and no Arbitrator or Arbitration Board shall have jurisdiction to entertain any grievance filed as a result of such termination.

8.02 SENIORITY WILL BE MAINTAINED AND ACCUMULATED DURING:

(a) occupational injury.

(b) absence from employment while serving in the non-permanent armed forces of Canada.

(c) absence due to illness or non-occupational injury.

- (d) jury duty, Union gatherings and collective bargaining negotiations.
- (e) authorized leave of absence.
- (f) lay-off for the following periods, after which an employee's seniority will terminate:
 - 1. Less than 12 months seniority - 6 months
 - 2. Over 12 and less than 60 months seniority - 12 months
 - 3. Over 60 months seniority - 24 months

8.03 SENIORITY STANDING WILL BE CANCELLED IF AN EMPLOYEE:

- (a) voluntarily quits the employ of the Company.
- (b) over-stays authorized leave of absence except by reasons of force majeure.
- (c) is discharged and not reinstated under the terms of this Agreement.
- (d) is recalled to work and does not report within six (6) working days of receiving notice by registered mail.
- (e) is still on lay-off and the seniority retention period has elapsed as described in 8.02 (f).
- (f) leaves the bargaining unit for more than twelve (12) months accumulative to work in a supervisory capacity.

8.04 RECALL PROCEDURE - Laid-off employees with seniority will be given the first opportunity to be rehired. Employees will be notified of recall by telephone, telegraph, or other type of message which will be confirmed by registered mail. An employee being recalled must return to work as soon as reasonably possible after the first notice of recall as described above, but no longer than six (6) working days after receipt of the registered notice. A copy of the notice will be given to the Shop Steward or Union committeeman.

- 8.05 (a) SENIORITY LISTS** - The Company will prepare Seniority lists of all employees and present to the Union within thirty (30) days of the signing of the Agreement. This list will be posted for a period of sixty (60) days, and will establish the seniority, regular rate and classification of an employee who does not protest his status in writing, within the said sixty (60) days. Said lists will commence with the most senior employee, carry on downwards to the most junior employee, and contain the following information:
- 1. employee's name and clock number
 - 2. employee's starting date
 - 3. employee's length of service in years and days
 - 4. employee's regular classification and regular rate of pay
 - 5. probationary employees will also be shown on the list.

- (b) **SENIORITY LISTS - ADDITIONAL** - Additional revised lists will be furnished to the Union as required from time to time. The Union agrees not to request such lists more frequently than once each three (3) months except during the months of April through September when they will be supplied each month if requested.
- 8.06 (a) In the event legislation governing lay-offs is implemented which overrides the Collective Agreement, an employee who is entitled to severance pay as a result of a lay-off may elect to take the severance pay at that time, or at any other time up to the end of the employee's recall rights. In the event the employee accepts such severance pay, the employee's seniority and recall rights shall be terminated.
- (b) Severance pay shall include pay in lieu of notice of lay-off.
- 8.07 It is the responsibility of employees to keep the Company informed of their current address and telephone number.

ARTICLE 9 - SAFETY & HEALTH

9.01 SAFETY AND HEALTH - RESPONSIBILITY

- (a) The Company agrees that it is the responsibility of the Company to make adequate provision for the safety and health of the employees during the hours of their employment.
- (b) The Union and the employees agree to co-operate fully with the Company on all matters of health and safety.

9.02 **SAFETY COMMITTEE** - It is mutually agreed that a Safety Committee consisting of employees selected by the Union will meet with a Management representative or representatives not less frequently than once a month. Minutes of such meetings will be posted on the notice board.

9.03 **HOUSEKEEPING AND SANITATION** - All employees, as well as the Company, will observe the rules of good housekeeping and sanitation.

9.04 **WASHROOM, LUNCHROOM** - Adequate washroom, lunchroom and a place to hang clothing will be provided by the Company and kept in a sanitary condition. The Company will supply towels, soap, and other supplies normally found in rest rooms. Employees will co-operate by observing the rules of cleanliness.

9.05 **INJURED EMPLOYEE - REPORTING PROCEDURE** - Any employee suffering an injury while in the employ of the Company (performing or engaged in any activity which is covered by Workers' Compensation) must report immediately to the First Aid Department (Attendant) or as soon thereafter as possible, and also report to this Department (Attendant) on returning to work. Employees are required to advise their immediate supervisor at their earliest opportunity should any work related injury prevent them from reporting or returning to work.

- 9.06 INJURED EMPLOYEE - TRANSPORTATION** - Employees injured on the job will be provided free transportation by the Company to and from a doctor's office, or a hospital and will be accompanied by a qualified person with First Aid training, if available on the Company premises. Employees requiring transportation home from a doctor's office or hospital following initial treatment shall be reimbursed for costs of such transportation.
- 9.07 INJURED EMPLOYEE - DAILY EARNINGS** - If an employee is injured on the job and a doctor recommends no further work on that day, the Company will maintain the employee's normal daily earnings for the day of injury. If injured while on a shift when shift premiums and/or differentials apply, premiums and applicable differential shall apply.
- 9.08 EMPLOYEES WORKING ALONE** - Where an employee is employed under conditions where he might be injured and not be able to secure assistance, the employer shall devise some method of checking on the well-being of the workman at intervals which are reasonable and practicable under the circumstances.
- The Company agrees that no employee will work alone on second or third shift.
- 9.09 SAFETY BOOT REIMBURSEMENT** - The Company will on November 1st contribute one hundred dollars (\$100.00) per year to each employee having completed six months service for the purchase of safety boots.
- 9.10 (a) COVERALLS AND GLOVES** – Coveralls and gloves will be supplied and laundered at Company expense.
- (b) RAIN GEAR** – The Company will have available adequate rain gear for employees who do not normally work outside.
- (c)** The Company will supply winter liners for hard hats.
- 9.11 WORKERS' COMPENSATION BOARD INSPECTOR** – Whenever a Workers' Compensation Board Inspector is inspecting the Company's premises a Union member of the Safety Committee shall accompany him.

ARTICLE 10 - GENERAL PROVISIONS

- 10.01 CONSULTATION WITH UNION - PRIOR TO CERTAIN CHANGES** - The Company agrees to consult with the Shop Steward or Grievance Committeeman if available on the premises prior to discharging, laying-off, transferring, promoting or demoting any employee.
- 10.02 BULLETIN BOARDS** - The Union will have the exclusive use of ___ Bulletin Boards on the premises of the Company and provided by the Company for the purpose of posting official Union notices which may be of interest to Union members. All such material may be posted only upon the authority of the Executive Committee of the Union or Shop Stewards of the plant.

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- 10.03 NOTICES - BETWEEN COMPANY AND UNION** - Any notice required to be given to the Company under the terms of this Agreement will be given by registered mail addressed to it at its registered address with a copy to the Association. Any notice to be given to the Union under the terms of this Agreement shall be given by registered mail addressed to the Secretary of the Union at its registered address.
- 10.04 UNION ACCESS TO PLANT** - Representatives of the Union will have access to the Company's premises by obtaining the permission of the Company's management. Such permission will not be unreasonably withheld.
- 10.05 BEREAVEMENT PAY** - If a death occurs in the immediate family of an employee, who is both scheduled and available for work, the Company will grant three (3) days paid leave of absence. Where an employee attends a funeral or service for an immediate family member outside of the Lower Mainland (Squamish to Hope, inclusive), the employee shall receive up to an additional two (2) days of paid leave.
- Immediate family will include parents, parents-in-law, grandparents, grandchildren, spouse, children, brother, sister, spouse's brothers and spouse's sisters.
- 10.06 APPENDICES** - The attached Appendices are a part of this Collective Agreement and the Parties are bound by their terms.
- 10.07 JURY DUTY** - If an employee is summoned or subpoenaed for jury selection or for jury duty, the Company will grant the employee leave of absence with pay, which will be the difference between his regular pay and the monies received for jury duty.
- On any day when an employee is called but not chosen for duty he must return to work for the balance of the shift. He must supply the Company with a statement of time of reporting and release when not chosen for duty and an official statement of payment for duty.
- 10.08 INSTRUCTION PROCEDURE** - Employees will take orders from the Plant Manager, or Plant Superintendent, only when the employees' immediate Supervisor or Charge Hand is not readily available.
- 10.09 IMMEDIATE SUPERVISOR AND CHARGE HAND IDENTIFICATION** – The names of all immediate Supervisors and Charge hands, setting forth their official status will be posted on the Company's Bulletin Board(s).
- 10.10 CLEAN UP** – At the immediate Supervisor's discretion an employee may be allowed a clean up period of at least five (5) minutes before the completion of his shift for the clean up and stowage of Company equipment and employee's personal tools.
- 10.11 LAY-OFF NOTICE** - In cases of lay-off, the Company will give as much notice as possible.
- 10.12 UNION APPOINTEES - IDENTIFICATION** - The Union will maintain with the Company a current list of the names of Shop Stewards, Committeemen and Staff Representative.
- 10.13 UNION COMMITTEES** - Union Committees as provided for in this Agreement, will be of a size that will not unduly curtail production.

- 10.14 (a) PREFERENTIAL HIRING** When additional employees are required, the Union hall will be notified. It is agreed that the Union may refer suitable applicants for employment to the Company.

Where qualifications, ability and potential are relatively equal, preference in hiring shall be given to the Union's referral.

- (b)** Hiring for bargaining unit positions will be conducted on a gender neutral basis, subject only to the availability of applicants with the skills to do the job.

- 10.15 HUMANITY FUND** - The Company agrees to deduct \$20.00 from each employee on October 1st each year and forward to the United Steelworkers Humanity Fund.

- 10.16 UNION SAVINGS PLAN** - The Company agrees to provide payroll deduction for employees who enrol in and contribute to the Steelworker District 3 Savings Plan. At the beginning of each calendar year, the employee shall authorize the Company in writing as to a fixed dollar amount to be deducted from the last pay period of the month and forwarded to the Plan. Such authorization shall be irrevocable until the end of the calendar year. Deductions will be forwarded to the Plan by the fifteenth of the month following the deduction.

10.17 HUMAN RIGHTS

- (a)** The Union and the Company recognize the right of employees to work in an environment of mutual respect free from harassment, including sexual and racial harassment. Management will take measures that are deemed appropriate against persons under their direction who engage in harassment of another employee.

In any arbitration case arising out of this Article, where an arbitrator finds that harassment has occurred, the arbitrator may impose a remedy which is designed to only affect the perpetrator insofar as that is possible and where there is any detriment to be suffered respecting job classification, seniority, wages, etc., such detriment shall fall upon the perpetrator and not upon other employees. The arbitrator may direct a transfer or reassignment of the perpetrator to another location or shift assignment without regard to their seniority.

- (b)** The Company agrees to provide funding to cover the costs of Anti-harassment training for all employees and supervisory personnel as deemed necessary by the Company and the Union. Such training programs shall be presented by the Union.

10.18 EDUCATION AND TRAINING FUND

- (a)** The Employer shall contribute to the Union the sum of five cents (\$.05) per hour per employee for each hour worked for education and training of Union members.

- (b)** The money shall be made payable to Local Union 2952 Education and Training Fund, 7820 Edmonds Street, Burnaby, BC, V3N 1B8 and shall be remitted by the 15th of each month for the previous month and the Employer shall provide necessary information regarding amounts paid for each employee.

- (c) Upon request but no less than once each contract year the Union shall provide the Company with an accounting of the fund disbursements.

10.19 (a) **PERSONNEL RECORDS** – One personnel file shall be maintained by the Employer for each employee in the bargaining unit. Such file shall contain all records and reports concerning the employee's work performance.

- (b) **EMPLOYEE ACCESS TO PERSONNEL FILE** – An employee shall have the right to read and review his/her personnel file at any time upon reasonable notice and by request to the Employer. On request the employee shall be provided with copies of any disciplinary document or record contained in the employee's personnel file.

- (c) **UNION ACCESS TO EMPLOYEE PERSONNEL FILE** – A representative of the Union shall have the right to read and review an employee's personnel file at any time, upon written authorization of the employee and upon reasonable notice and by request to the Employer. The Union representative shall be provided with copies of any disciplinary document or record contained in the employee's personnel file.

10.20 **DISCIPLINE**

- (a) The Employer shall only discipline, suspend or discharge an employee for just cause. The burden of proof of just cause shall rest with the Employer.

- (b) Any employee who is to be interviewed regarding disciplinary action shall be interviewed in the presence of a Shop Steward, grievance Committee member or other Union designee.

- (c) The employee, the Shop Steward or grievance Committee member and the Local Union President shall receive a copy in writing of any disciplinary action taken including, but not limited to all written reprimands, or notices involving suspension or discharge and the reasons in full for such action within twenty-four (24) hours of the taken action.

- (d) **RELIEF** – All written warnings, reprimands and suspensions shall be rescinded and removed from the employee's personnel file, after a period of twelve (12) months after the date of issued disciplinary action and shall not be used against the employee thereafter.

10.21 **SEVERANCE PAY** – Employees with one (1) year of more of service, whose employment is terminated as a result of permanent closure of the whole or any part of the plant, shall receive severance pay of one (1) week's pay for each completed year of continuous service with the Employer to a maximum of twenty (20) weeks, at the rate of pay the employee was receiving on the date of termination.

10.22 LETTERS OF UNDERSTANDING AND MEMORANDUMS

- (a) **FORM PART OF COLLECTIVE AGREEMENT** – The Company and the Union agree that any and all Letters of Understanding and Memorandums of Agreement made between the Parties, shall be considered as part of the Collective Agreement.
- (b) **COPIES TO UNION** – The Company agrees to supply the Union with signed copies of all Letters of Agreement, Memorandums of Agreement and Appendices, which form part of the current Collective Agreement.
- (c) **RENEWAL ALL AGREEMENTS** – Letters of Understanding, or Memorandums of Agreement issued prior to the signing of this Agreement, and not renewed, shall become null and void after signing of this Collective Agreement.

Renewed Letters of Understanding shall remain in effect during the terms of this Agreement.

10.23 UNION REPRESENTATION

- (a) The Employer acknowledges the right of the Union to appoint or otherwise select Shop Stewards for the purpose of representing employees in the handling of complaints and grievances.
- (b) The Employer agrees to recognize Shop Stewards, as provided in writing from the Union.
- (c) The Employer will be notified by the Union of the names of the Shop Stewards, and any changes made thereto.
- (d) The Employer agrees to recognize and deal with a Union Grievance Committee of not more than two (2) employees plus the Unit President.
- (e) When the legitimate business of a Unit President, Grievance Committee Member, Shop Steward or Occupational Health & Safety Committee Member requires such employees to leave their department, the employee will first receive permission from their Manager. Such permission shall not be unreasonably withheld and the employee will not suffer loss of regular pay for such time.

10.24 NEGOTIATING COMMITTEE

- (a) The Employer agrees to recognize and deal with a Negotiating Committee of not more than two (2) employees, who will be regular employees of the Employer, along with representatives of the International Union.
- (b) The Negotiating Committee is a separate entity from other committees, and will deal only with such matters as are properly the subject matter of negotiations, including proposals for the renewal or modification of this Agreement.

- (c) The 'Employer agrees to allow members of the Negotiating Committee the time off work without loss of pay for the purpose of meeting with the Employer in the negotiation of the renewal or modification of this Agreement.
- (d) During negotiations for a new Collective Agreement, the Employer shall place employees, members of the Negotiating Committee on the day shift.

10.25 PARKING LOT – The Company agrees to have the employee parking lot graded and gravel spread when the weather permits.

10.26 The Company will continue to keep all production work normally done by the bargaining unit employees, within the Company provided the customer's requirements can be met.

10.27 SOAR FUND The Company shall contribute to the Union the sum of twenty dollars (\$20.00) for each employee who has worked 1200 hours or more in the calendar year, for the SOAR fund (Steelworkers Organization of Active Retirees).

The money shall be made payable to Local Union 2952 SOAR Fund, 7820 Edmonds Street, Burnaby, B.C. and shall be remitted by the 31st day of December each year commencing December 31, 2001, and the Employer shall provide the necessary information regarding amounts paid for each employee.

ARTICLE 11 - GRIEVANCE PROCEDURE

11.01 GRIEVANCES WILL BE PROCESSED AS FOLLOWS:

STEP 1 – It is generally understood that an employee has no grievance until he, either directly or through the Union, has first given their immediate Supervisor an opportunity to resolve the grievance.

If, after registering the grievance with their immediate Supervisor and such grievance is not settled within three (3) regular working days or within any longer period which may have been agreed to by the Parties, then the following steps of the Grievance Procedure may be invoked.

STEP 2 – The grievance shall be submitted in writing to the Plant Superintendent either directly or through the Union. The Plant Superintendent will meet with the Union Steward within three (3) working 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 within a further three (3) working days will give the Employer's answer on the grievance form, and return it to the Union.

STEP 3 – If the grievance remains unsettled at the conclusion of Step 2, the grievance may be submitted to Management who shall, within three (3) working days hold a meeting with the Union Grievance Committee (not to exceed two (2) in number) 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. Management will within a further three (3) working days give the Employer's decision in writing to the Union on or attached to the grievance form.

If settlement is not reached the grievance will proceed to Step 4.

11.02 TIME LIMITS (WORKING DAYS) AND STEPS WILL BE AS FOLLOWS:

<u>Appeal To</u>	<u>Time</u>	<u>Answer</u>
<u>Step 1</u>	Within 10 days of the grievor's knowledge of the occurrence of the grievance	3 days
<u>Step 2</u>	Within 5 days of answer	3 days
<u>Step 3</u>	Within 5 days of answer	3 days
<u>Step 4</u>	Within 30 days of answer	

The time limits may be extended by mutual consent if there is reasonable need for extension, and a request for extension is made in writing.

11.03 DISCHARGE CASES - If an employee believes that he has been unjustly discharged he may commence grievance procedure and it will be instituted at Step 2.

11.04 WARNING - SUSPENSION - DISCHARGE - Employees may only be warned, suspended or discharged for just cause. Suspension days will run as consecutive working days.

11.05 GROUP OR GENERAL GRIEVANCES - Grievances of a general or group nature will be put in writing and instituted at Step 2.

11.06 TIME LIMITS - FAILURE TO ACT - If either Party fails to act within any of the time limits, or with an agreed upon extension, it will be deemed that the Party has abandoned its position and that the position of the other Party has been established, except in a case where the Union withdraws the grievance.

11.07 GRIEVANCE COMMITTEEMEN AND COMPANY REPRESENTATIVES - At each of the three grievance steps the Company and the Union may have equal representation.

11.08 COMPANY REPRESENTATIVE - STEPS 2 AND 3 - If a Company's administrative staff is such that the same Company representative would be involved in Steps 2 and 3, then Step 2 will not be used, except in 11.03 and 11.05.

ARTICLE 12 - EXPEDITED ARBITRATION

12.01 Notwithstanding any other provisions of this Agreement, the following Expedited Arbitration Procedure is designed to provide prompt and efficient handling of routine grievances.

The Expedited Arbitration Procedure shall be implemented in light of the circumstances existing within the Collective Agreement, with due regard to the following.

12.02 An Arbitrator, shall be appointed by the Vice-Chairman – Mediation Services to hear the cases. Their expenses and fees will be borne by the Parties. The fees are to be in an amount agreed to by all three Parties.

12.03 (a) Within thirty (30) calendar days after receipt of the Step 3 answer, the Company or the Union initiating the grievance shall assess which grievances shall be referred to Expedited Arbitration, and will so notify the other Party, or their designate. Should the representatives of the other Party deem that the issue does not meet the criteria of section 12.06 (a) of this Article, the initiating party will nonetheless proceed to Expedited Arbitration for resolution. In this situation, however, the first issue that must be ruled upon by the Arbitrator is whether or not the subject matter is one that meets the criteria of section 12.06 (a).

If the Arbitrator concludes that the case is not appropriate for the Expedited Arbitration process, the case shall be referred back to the initiating party for further determination as if at the conclusion of the Third Stage of the grievance procedure.

(b) The list of arbitrators shall be maintained alphabetically to be used by fixed rotation. The next arbitrator shall be contacted and requested to serve on the case or cases designated for Expedited Arbitration at a time and place agreed upon by the Company and Union Representatives. The date of the hearing shall be within ten (10) calendar days of the appeal unless an extension of time is mutually agreed upon by all three parties.

12.04 Grievances shall be presented in the Expedited Arbitration Procedure by a previously designated Shop Committee member and a designated representative of the Local Plant Management. Attendance of other persons at the Arbitration hearing shall be limited to those who have personal knowledge of the grievance being presented.

12.05 (a) The hearing shall be informal

(b) No briefs shall be filed or transcripts made

(c) There shall be no formal evidence rules

(d) The Arbitrator shall have the obligations of assuring that all necessary facts and considerations are brought before him by the representatives of the Parties. In all respects, he shall assure that the hearing is a fair one.

(e) If the Arbitrator or the parties conclude at the hearing that the issues involved are of such complexity or significance that the case should require further consideration by the Parties, the case shall be referred back to the initiating party for final deposition.

(f) The Arbitrator shall render his written decision within five (5) work days following the date of the hearing. Their decision shall be based on the facts presented by the Parties at the hearing, and shall include a brief written explanation of the basis for their conclusion. These awards will not be cited as a precedent at any discussion of any other grievances at any stage of the grievance procedure or in any subsequent Arbitration, and will be considered binding by both Parties.

- 12.06 (a)** Grievances subject to this Expedited Arbitration Procedure must be confined to issues which do not involve novel problems and which have limited contractual significance or complexity.
- (b)** The Arbitrator under this Expedited Arbitration Procedure shall have the same powers as granted to the Arbitrator under Section 13 of this Agreement.

ARTICLE 13 - ARBITRATION

- 13.01** Where a difference arises between the Parties relating to the interpretation, application or administration of this Agreement, including any question as to whether a matter is arbitrable, or where an allegation is made that this Agreement has been violated, either of the Parties may after exhausting the grievance procedure established by this Agreement, notify the other Party in writing of its desire to submit the difference or allegation to arbitration.
- 13.02** Any matter referred to arbitration, as provided in 13.01 hereof, shall be submitted to a single arbitrator selected from the following list:
1. Vince Ready
 2. Rod Germaine
 3. Don Munroe
 4. Colin Taylor
- 13.03** The Arbitrator shall have the authority to act as a mediator/arbitrator upon application of either party and will hear and determine the difference or allegation, and will issue a decision, and the decision is final and binding upon the Parties, and upon any employee affected by it.
- 13.04** The arbitrators will rotate on each subsequent arbitration, but should anyone be unable to act within thirty (30) calendar days, the Arbitrator shall be passed over to the next on the list.
- 13.05** The arbitrator will have the right to enter any premises where work is being done or has been done by the Employee, or in which the Employer carries on business, or where anything is taking place or has taken place concerning any of the differences submitted to the Arbitrator and inspect and view any work material, machinery, appliance or article therein, and interrogate any person respecting any such thing or any of such differences.
- 13.06** If, during the life of this Agreement, one of the Arbitrators named in 13.02 hereof withdraws from the list, the Parties will appoint a replacement by mutual agreement in writing.
- 13.07** Except where otherwise provided for in this Agreement, each of the Parties hereto will bear its own expenses with respect to any arbitration proceedings. The Parties hereto will bear jointly the expenses of the arbitrator on an equal basis.
- 13.08** No matter may be submitted to arbitration which has not first been properly carried through all preceding steps of the Grievance Procedure.

13.09 The Arbitrator will have jurisdiction and authority to interpret and apply the provisions of this Agreement insofar as it may be necessary for the determination of a grievance referred to it, but will not have the jurisdiction and authority to alter to amend any of the provisions of this Agreement.

13.10 A claim by an Employee that the employee has been unjustly discharged, suspended or laid off may be settled by confirming the employer's decision in discharging, suspending or laying off the employee, or by reinstating the employee with such compensation, either full, partial or such other settlement as may be agreed upon by the conferring parties or determined by the Arbitrator as the case may be.

ARTICLE 14 - INSURANCE AND MEDICAL PLAN

14.01 A Medical and Insurance Plan will be maintained in accordance with the following:

14.02 **BOARD OF TRUSTEES** - A Board of Trustees, composed of three (3) members representing Independent Specialty Steels Ltd. and three (3) members representing the United Steelworkers, is responsible for the administration, and supervision of the Plan.

14.03 **COVERAGE**

MEDICAL the medical coverage will be equivalent to that supplied by the Medical Services Plan of British Columbia.

EXTENDED HEALTH BENEFITS

MSA NET to be established with sixty (60) days of ratification.

INSURANCE COVERAGE

1 LIFE INSURANCE \$85,000.00

2 A.D.& D. \$85,000.00

3 WEEKLY INDEMNITY – \$525.00 (1-4-26)*

* Indexed to EI maximum if amount above exceeded.

4 Sub-Sections 2 and 3 above will not apply when Workers' Compensation is payable.

14.04 GENERAL PRINCIPLES

- 1 Premium costs of both the Medical and Insurance Plans will be paid:

Employer	100%
----------	------
- 2 Participation in the Plan will be a condition of employment.
- 3 Coverage will be portable between companies.
- 4 **(a)** Coverage will be provided during lay-off, up to a cumulative maximum of three (3) months, in a calendar year, beyond the current month of lay-off.
(b) Coverage during lay-off will be supplied without charge to the parties.
- 5 When invoiced directly, the Employer will pay for all doctor's reports required by the Employer.

14.05 INSURANCE COVERAGE COMMENCES - Immediately for employees presently covered and on lay-off from another company participating in this Plan.

Three (3) month waiting period for employees first entering the employ of a company participating in this Plan.

Three (3) month waiting period for employees who have been on lay-off beyond their seniority retention period.

14.06 SICK LEAVE AND ABSENCE CONTROL

- i) After 60 months service, employees shall be eligible for seven (7) days sick pay per year, payable at their current classified rate.

The date for calculating the 60 months service and the classified rate shall be January 31st of each calendar year.

Payment in the year of termination or retirement shall be pro-rated on the length of service during that year.

The payment date for seven (7) days will be the first pay date in March.

- ii) The Employer may require an employee to provide a medical certificate as evidence of the employee's illness or injury as a cause for the employees absence from work. The Company shall reimburse employees for doctor's certificate required by the Employer.
- iii) Every employee who is unable to report for work due to illness or injury shall make every reasonable effort to notify the Employer, or to have someone else notify the Employer on his behalf, prior to the employee's normal reporting time, or as soon after that time as is possible in the circumstances. Failure to do so without proper justification may result in discipline.

ARTICLE 15 - DENTAL PLAN

15.01 The Employer will supply a dental plan through the Independent Specialty Steels Ltd. as follows:

15.02	<u>COVERAGE</u>	BASIC DENTAL	100%
		PROSTHETIC APPLIANCES AND CROWN AND BRIDGE PROCEDURES	50%

15.03 **PREMIUM DIVISION** Employer 100%

15.04 **PARTICIPATION** - A condition of employment.

15.05 **EFFECTIVE DATE** - For new employees dental coverage will commence on the first of the month following three (3) months of employment.

15.06 An annual financial statement will be supplied to any Union whose members are covered under this Plan and a named Union representative may obtain knowledge of the Plan and discuss claims with the underwriter.

ARTICLE 16 - LEAVE OF ABSENCE WITHOUT PAY**16.01** **LEAVE FOR PERSONAL REASONS**

(a) An employee may be allowed a leave of absence without pay for up to thirty (30) days for personal reasons if:

- (i) he requests it from the Company in writing, and
- (ii) the Company believes the leave is for a good reason and does not interfere with the Company's operations.

If the employee takes a job elsewhere during this leave of absence without joint approval of the Company and the Union, he will be considered as having terminated his employment.

(b) A leave of absence may be extended up to thirty (30) calendar days if there is a good reason and the Company and the Union committee agree to it. The employee must request the extension in writing before his first leave period has terminated.

(c) The Union will be notified of all leaves granted under this Section.

16.02 LEAVE TO ATTEND UNION GATHERINGS

- (a) Employees who have been elected or appointed by the Union to attend International, National or local gatherings will be granted leave of absence without pay for this purpose. Not more than two (2) employees may take such leave at one time and they must give the Company notice in writing at their earliest opportunity but no later than ten (10) working days prior to the leave. This notice must be confirmed by the Union. Leave will not exceed three (3) weeks, plus reasonable travel time.
- (b) Leave of absence will be granted on request to not more than two (2) employees who have been selected by the Union to attend collective bargaining sessions or emergency gatherings of the Union.

16.03 LEAVE FOR UNION BUSINESS - The Company shall grant an employee a leave of absence of not more than three (3) years to work in an official capacity for the Local or International Union. The employee must request the leave in writing and the Union must approve it. This leave shall be extended for additional three (3) year periods upon request. One month's notice in writing must be given prior to requesting this leave.

Not more than one (1) employee may be on leave under this Section at any one time.

ARTICLE 17 - WAGES**17.01 WAGE SCHEDULE**

- (a) The job classifications and rates of pay listed in the attached Wage Schedule is agreed upon by both parties and is a part of this Collective Agreement.
- (b) The rates set forth in the attached Wage Schedule may not be used in any way for the purpose of reducing the wage rate(s) presently received by an employee(s).
- (c) The rates for the classifications set forth in this Agreement, and for any subsequent mutually agreed upon additions thereto, are the agreed upon rates for those classifications, and therefore no employee may perform work within the classifications for a rate other than the rate set forth in this Agreement, subject only to the provisions of daily rate retention. The refusal of any employee to perform work contrary to the provisions of this Section, shall not constitute grounds for any reprimand or any form of disciplinary action, or dismissal by the Company.

17.02 (a) NEW OR CHANGED JOB CLASSIFICATION - If any new job classifications are established, or if there is a significant change in the job content of any job classification(s) set forth in this Wage Schedule, or if any job classification(s) have been overlooked in this Wage Schedule, the Parties hereto are agreed to negotiate a rate for the job(s) in question.

- (b) If the Parties are unable to reach agreement then the dispute will be settled through the Grievance and Arbitration procedures of this Agreement.

17.08 LEAD HAND AND CHARGE HAND DEFINITIONS

- (a) **LEAD HAND** is an employee who is assigned to instruct others in the performance of their work but will not be held responsible for the quality and quantity of work.
- (b) **CHARGE HAND** is an employee who is assigned to instruct others in the performance of their work and may be held responsible for the quality and quantity of work.
- (c) **PREMIUMS**
- | | |
|-------------------|-----------------|
| LEAD HAND | \$.60 per hour |
| CHARGE HAND | \$.80 per hour |
| SHIFT CHARGE HAND | \$1.00 per hour |

An employee working as Lead Hand, Charge Hand, or Shift Charge Hand will receive the appropriate premium above the highest classification supervised or above his own rate, whichever is greater.

If there is no Warehouse Supervisor on duty on any shift, then a Shift Charge Hand will be provided. The appointment will be made in accordance with the principles established in Section 8.01 (a) of this Agreement.

Where the employee has received a premium noted above for more than two days in the pay period in which a general holiday occurs, the employee shall receive the premium for the general holiday.

17.09 APPRENTICESHIP WAGE SCHEDULE**FOUR YEARS**

Start to 6 mos. - 55%
 6 mos. to 12 mos. - 60%
 12 mos. to 18 mos.- 65%
 18 mos. to 24 mos.- 70%
 24 mos. to 30 mos.- 75%
 30 mos. to 36 mos.- 80%
 36 mos. to 42 mos.- 85%
 42 mos. to 48 mos.- 90%

FIVE YEARS

Start to 6 mos. - 55%
 6 mos. to 12 mos. - 60%
 12 mos. to 18 mos.- 65%
 18 mos. to 24 mos.- 70%
 24 mos. to 30 mos.- 75%
 30 mos. to 36 mos.- 80%
 36 mos. to 42 mos.- 85%
 42 mos. to 48 mos.- 90%
 48 mos. to 60 mos.- 95%

17.10 APPRENTICESHIP - SCHOOL REIMBURSEMENT - When an Apprentice attends Apprenticeship Day School, the Company will reimburse him with fifty percent (50%) of the difference between his rate of pay and the government grant which he receives.

17.11 RED-CIRCLED RATES – It is agreed that where red-circled rates exist they will continue to exist and, in addition will receive the negotiated wage increases.

ARTICLE 18 - JOB POSTING

18.01 JOB OPENINGS (NOT TEMPORARY) - All job postings (not temporary) in the bargaining unit, will be posted on the Bulletin Board for three (3) working days.

18.02 JOB OPENINGS (TEMPORARY)

(a) Job openings in the bargaining unit not subject to the Job Posting Procedure shall mean:

Those job openings resulting from absences allowed under the terms of this Agreement up to a maximum of (30) days.

(b) All job openings (temporary) shall be filled in accordance with the principle established in 8.01 (a) and (b) of the collective agreement.

18.03 JOB APPLICATIONS (DELAYED) - If an employee is not at work, for the following reasons, when a job is posted, he may apply for the job, if he does so within three (3) working days of his return to work.

- 1 vacation,
- 2 authorized leave of absence not exceeding thirty (30) days,
- 3 absence resulting from an accident or illness not exceeding thirty (30) days,
- 4 absence on Workers' Compensation not exceeding thirty (30) days.

18.04 SELECTION OF SUCCESSFUL APPLICANT - Preference will be given to applications from the most senior employees in accordance with the principles established in Section 8.01 (a) of this Agreement.

18.05 TRIAL PERIOD - The successful applicant may be entitled to up to thirty (30) working days and not less than five (5) working days trial period.

If under Article 8.01 an employee who applies and is the senior applicant but is denied the job on the basis of the Company's assessment, that employee will be afforded a trial period of up to five (5) days.

18.06 RETURN TO FORMER JOB

(a) In the event that an employee is promoted in accordance with the provisions of this Article and within thirty (30) days of such promotion he/she is not performing efficiently, or the employee wishes to do so, he/she will revert to his/her immediate previous job, without loss of seniority.

(b) If additional people are required, they will be drawn from the previous posting, provided, however, there are enough applicants on the previous posting to fill the vacancy.

18.07 SUCCESSFUL APPLICANT NOTICE - The name of the successful applicant will be posted no later than five (5) days after the removal of the Job Posting notice. All job postings not filled by successful applicants within thirty (30) days are considered void.

18.08 In the event that none of the applicants meet the requirements of the job in relation to Section 8.01 (a) of this Agreement, the Company may fill the vacancy from any available source.

ARTICLE 19 - PENSION

19.01 The Pension Plan Agreement made between the Company and the United Steelworkers on the 16th day of November, A.D. 1959, (including any subsequent amendments thereof) a copy of which is annexed hereto, is a part of this Collective Agreement and the Parties to this Collective Agreement are bound by the terms thereof subject to the provisions of the Collective Agreement.

19.02 The Union shall have sole responsibility for the naming of trustees and the operation of the Pension Plan and the Company shall have no responsibility for the operation of the Pension Plan save for the payment of contributions as set forth in this Article. Amendments to the Pension Plan made by the trustees after (whatever date the Plan is amended), which may have an effect upon the Company's responsibility toward the Plan, over and above the contributions required in this Article, shall have no effect on the Company unless specifically agreed to by the Company prior to the amendment being made.

19.03 The Company will pay effective February 1, 2006, three dollars and fifteen cents (\$3.15) per hour pension contribution.

Effective February 1, 2008 the contribution will increase twenty-five cents (\$.25) for a total contribution of three dollars and forty cents (\$3.40) per hour.

Effective February 1, 2010 the contribution will increase twenty-five cents (\$.25) for a total contribution of three dollars and sixty-five cents (\$3.65).

Both Parties shall execute the required documents to allow the Union to appoint 100% of the Trustees.

19.04 The Company will pay the pension contribution for employees granted leave of absence under Section 16.02 - LEAVE TO ATTEND UNION GATHERINGS.

The Company will be reimbursed for the Company contributions from the employee's first pay cheque after the leave of absence.

19.05 The Company will pay the pension contributions for employees who are absent from work and in receipt of Workers' Compensation wage loss benefits for a maximum of three (3) months per calendar year.

19.06 Employees who retire at age fifty-eight (58) or later, having twenty years of service, shall have their medical premium paid by the Company until age sixty-five (65).

ARTICLE 20 - TECHNOLOGICAL CHANGE

20.01 In the event that the Company introduces a technological change which results in:

- (a)** Displacement of employees from employment with the Company. The Company will cooperate with Canada Manpower training facilities to train such employees, if there are job openings with the Company, and such employees have the necessary potential to fill the positions.
- (b)** An employee being terminated will receive one (1) week's pay for each year of seniority in excess of five (5) years seniority.

ARTICLE 21 - SAVINGS CLAUSE

21.01 Should any part of this Agreement or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by any judgement of order of a court, tribunal or board of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof and such remaining portions shall continue in full force and effect.

21.02 In the event that any clause or section is held invalid or enforcement of or compliance with which has been restrained as above set forth, the Parties affected thereby shall enter into immediate collective bargaining negotiations upon the request of either Party for the purpose of implementing the requirements of any such order, judgement or legislation or for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the Parties do not agree on a mutually satisfactory replacement, they shall submit the matter to arbitration.

ARTICLE 22 - DURATION OF AGREEMENT

22.01 This Agreement shall be for the period from and including February 1st, 2006 to and including January 31st, 2011, and from year to year thereafter subject to the right of either Party to the Agreement within four (4) months immediately preceding the date of expiry of this Agreement, which is January 31st, 2011, or immediately preceding the last day of January in any year thereafter, by written notice to require the other Party to the Agreement to commence collective bargaining.

22.02 Should either Party give written notice to the other Party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of strike or the Employer shall give notice of lockout or the Parties shall conclude a renewal or revision of this Agreement or a new Collective Agreement whichever shall first occur.

22.03 The operation of Section 50 (2) & (3) of the Labour Relations Code of British Columbia is hereby excluded.

IN WITNESS WHEREOF: The Parties have executed this Agreement at _____,
B.C. this ____ day of _____, 2006.

INDEPENDENT SPECIALTY STEELS LTD.

**UNITED STEELWORKERS
ON BEHALF OF LOCAL UNION 2952**

**WESTERN EMPLOYERS LABOUR
RELATIONS ASSOCIATION**

**INDEPENDENT SPECIALTY STEELS LTD., LOCAL 2952
APPENDIX "A"
WAGE SCHEDULE**

CLASSIFICATIONS	1 Feb 06	1 Feb 07	1 Feb 08	1 Feb 09	1 Feb 10
	2%	2%	2%	2%	2%
Machine Operator	\$25.48	\$25.99	\$26.51	\$27.04	\$27.58

Signing Bonus of \$500.00 on February 1, 2007 and on February 1, 2009.

LETTER OF UNDERSTANDING #1

BETWEEN: INDEPENDENT SPECIALTY STEELS LTD.

**AND: UNITED STEELWORKERS
 ON BEHALF OF LOCAL UNION 2952**

WHEREAS the Parties entered into a Collective Agreement (hereinafter referred to as the Agreement) effective February 1st, 2001.

AND WHEREAS the Parties desire to interpret the Agreement for the purpose of the implementation of Article 7 - Vacations With Pay.

NOW THEREFORE this Letter of Understanding shall constitute an integral part of the Agreement and provides an interpretation of the Agreement in the following particulars:

(A) Adjustment of Anniversary Date to Cut-Off Date.

Reasons therefore: Since the employment date of an employee seldom coincides with a vacation cut-off date, it is necessary, in order to administer vacations in an orderly manner to adjust an employee's vacation pay and vacation time to the cut-off date.

(B) There are six times when an employee's vacations must be adjusted to the cut-off date:

(1) After one year but less than three years' employment, when the employee is entitled to two (2) weeks' vacation.

(2) After three years but less than seven years' employment, when the employee is entitled to three (3) weeks' vacation.

(3) After seven years but less than fourteen years' employment, when the employee is entitled to four (4) weeks' vacation.

(4) After fourteen years but less than eighteen years' employment, when the employee is entitled to five (5) weeks' vacation.

(5) After eighteen years but less than thirty years' employment, when the employee is entitled to six (6) weeks' vacation.

(6) After thirty years or more, when the employee is entitled to seven (7) weeks' vacation.

(C) The following is the interpretation to be applied to Article 7 - Vacations With Pay in the INDEPENDENT SPECIALTY STEELS LTD. - UNITED STEELWORKERS, ON BEHALF OF LOCAL UNION 2952.

(1) Article 7.01 of the Independent Specialty Steels Ltd. - U.S.W. Agreement provides for payment of vacations to an employee who has worked less than one (1) year on the following basis:

- Four percent (4%) of his gross earnings.
- One (1) day's vacation for each major fraction of a month worked (maximum ten (10) working days).

The provisions of this Section are the basis of adjusting a new employee's vacation pay and vacation time to a cut-off date.

(2) When an employee becomes entitled to three (3) weeks' vacation, his vacation pay and vacation time off will be adjusted to the cut-off date by:

- Crediting the employee's vacation account with two percent (2%) of his gross earnings from his employment anniversary date to the cut-off date.
- Crediting the employee's vacation account with the amount of time off resulting from applying the fraction of the year between his anniversary date and the cut-off date to five (5) working days.

(3) When an employee becomes entitled to four (4) weeks' vacation, his vacation pay and vacation time off will be adjusted to the cut-off date by:

- Crediting the employee's vacation account with two percent (2%) of his gross earnings from his employment anniversary date to the cut-off date.
- Crediting the employee's vacation account with the amount of time off resulting from applying the fraction of the year between his anniversary date and the cut-off date to five (5) working days.

(4) When an employee becomes entitled to five (5) weeks' vacation, his vacation pay and vacation time off will be adjusted to the cut-off date by:

- Crediting the employee's vacation account with two percent (2%) of his gross earnings from his employment anniversary date to the cut-off date.
- Crediting the employee's vacation account with the amount of time off resulting from applying the fraction of the year between his anniversary date and the cut-off date to five (5) working days.

(5) When an employee becomes entitled to six (6) weeks' vacation, his vacation pay and vacation time off will be adjusted to the cut-off date by:

- Crediting the employee's vacation account with two percent (2%) of his gross earnings from his employment anniversary date to the cut-off date.

- Crediting the employee's vacation account with the amount of time off resulting from applying the fraction of the year between his anniversary date and the cut-off date to five (5) working days.
- (6) When an employee becomes entitled to seven (7) weeks' vacation, his vacation pay and vacation time off will be adjusted to the cut-off date by:
- Crediting the employee's vacation account with two percent (2%) of his gross earnings from his employment anniversary date to the cut-off date.
 - Crediting the employee's vacation account with the amount of time off resulting from applying the fraction of the year between his anniversary date and the cut-off date to five (5) working days.

(D) Examples of adjusting an employee's vacation:

<u>Assume</u>	<u>Assume</u>
Employee starts work Jan. 1st	Employee starts work Oct. 1st
Cut-off date June 30th	Cut-off date June 30th
Wage rate of \$5.00 per hour	Wage rate of \$5.00 per hour
2,080 work hours per year	2,080 work hours per year
One week's vacation = 2%	One week's vacation = 2%
Two weeks' vacation = 4%	Two weeks' vacation = 4%
One week's vacation = 5 working days	One week's vacation = 5 working days
Two weeks' vacation = 10 working days	Two weeks' vacation = 10 working days

(Fraction days .5 and over take to higher full day)

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| <ul style="list-style-type: none"> - Adjust part of first year to cut-off date - 4% of earnings Jan. 1 to Jun. 30 - 2 weeks' vacation = 4% - Earnings Jan. 1 to Jun. 30 = 5,200.00 - 4% of 5,200.00 - Days of vacation, $6/12 \times 10 = 5$ work days - Total days' vacation (adjustment year only) = 5 work days. | <ul style="list-style-type: none"> - Adjust part of first year to cut-off date - 4% of earnings Oct. 1 to Jun. 30 - 2 weeks' vacation = 4% - Earnings Oct. 1 to Jun. 30 = 7,800.00 - 4% of 7,800.00 - Days of vacation, $9/12 \times 10 = 7.5$ (8) work days - Total days' vacation (adjustment year only) = 8 work days. |
| <ul style="list-style-type: none"> - Adjust 3rd wk of vacation to cut-off date - Adjust 1 wk from Jan.1 to Jun.30 - 1 weeks' vacation = 2% of earnings - Earnings Jan. 1 to Jun. 30 = 5,200.00 - 2% of 5,200.00 - Days of vacation, $6/12 \times 5 = 2.5$(3) work days - Total days' vacation (adjustment year only) = 18 work days. | <ul style="list-style-type: none"> - Adjust 3rd wk of vacation to cut-off date - Adjust 1 wk from Oct. 1 to June 30 - 1 weeks' vacation = 2% of earnings. - Earnings Oct. 1 to Jun. 30 = 7,800.00 - 2% of 7,800.00 - Days of vacation, $9/12 \times 5 = 3.75$(4) work days - Total days' vacation. (adjustment year only) = 19 work days. |

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| <ul style="list-style-type: none"> - Adjust 4th week of vacation to cut-off date - Adjust 1 wk from Jan.1 to Jun.30 - 1 weeks' vacation = 2% of earnings - Earnings Jan. 1 to Jun. 30 = 5,200.00 - 2% of 5,200.00 - Days of vacation, $6/12 \times 5 = 2.5(3)$ work days - Total days' vacation (adjustment year only) = 23 work days. | <ul style="list-style-type: none"> - Adjust 4th week of vacation to cut-off date - Adjust 1 wk from Oct. 1 to June 30 - 1 weeks' vacation = 2% of earnings. - Earnings Oct. 1 to Jun. 30 = 7,800.00 - 2% of 7,800.00 - Days of vacation, $9/12 \times 5 = 3.75(4)$ work days - Total days' vacation (adjustment year only) = 24 work days. |
| <ul style="list-style-type: none"> - Adjust 5th week of vacation. to cut-off date - 1 weeks' vacation = 2% of earnings - Earnings Jan. 1 to Jun. 30 = 5,200.00 - 2% of 5,200.00 - Days of vacation, $6/12 \times 5 = 2.5(3)$ work days - Total days' vacation. (adjustment year only) = 28 work days. | <ul style="list-style-type: none"> - Adjust 5th week of vacation to cut-off date - 1 weeks' vacation = 2% of earnings. - Earnings Oct. 1 to Jun. 30 = 7,800.00 - 2% of 7,800.00 - Days of vacation, $9/12 \times 5 = 3.75(4)$ work days - Total days' vacation (adjustment year only) = 29 work days. |
| <ul style="list-style-type: none"> - Adjust 6th week of vacation. to cut-off date - Adjust 1 wk from Jan. 1 to Jun. 30 - 1 weeks' vacation = 2% of earnings - Earnings Jan. 1 to Jun. 30 = 5,200.00 - 2% of 5,200.00 - Days of vacation, $6/12 \times 5 = 2.5(3)$ work days - Total days' vacation. (adjustment year only) year = 33 work days. | <ul style="list-style-type: none"> - Adjust 6th week of vacation. to cut-off date - Adjust 1 wk from Oct. 1 to June 30 - 1 weeks' vacation = 2% of earnings. - Earnings Oct. 1 to Jun. 30 = 7,800.00 - 2% of 7,800.00 - Days of vacation, $9/12 \times 5 = 3.75(4)$ work days - Total days' vacation. (adjustment year only) year= 34 work days. |
| <ul style="list-style-type: none"> - Adjust 7th week of vacation. to cut-off date - Adjust 1 wk from Jan. 1 to Jun. 30 - 1 weeks' vacation = 2% of earnings - Earnings Jan. 1 to Jun. 30=5,200.00- - 2% of 5,200.00 - Days of vacation, $6/12 \times 5 = 2.5(3)$ work days - Total days' vacation (adjustment year only) = 38 work days. | <ul style="list-style-type: none"> - Adjust 7th week of vacation. to cut-off date. - Adjust 1 wk from Oct. 1 to June 30 - 1 weeks' vacation = 2% of earnings. - Earnings Oct. 1 to Jun. 30=7,800.00 - 2% of 7,800.00 - Days of vacation, $9/12 \times 5 = 3.75(4)$ work days - Total days' vacation (adjustment year only) = 39 work days. |

Signed at _____, B.C. this _____ day of _____, 2006.

INDEPENDENT SPECIALTY STEELS LTD.

**UNITED STEELWORKERS
ON BEHALF OF LOCAL UNION 2952**

**WESTERN EMPLOYERS LABOUR
RELATIONS ASSOCIATION**

LETTER OF UNDERSTANDING #2

BETWEEN: INDEPENDENT SPECIALTY STEELS LTD.

(hereinafter referred to as "the Company")

**AND: THE UNITED STEELWORKERS
ON BEHALF OF LOCAL UNION 2952**

(hereinafter referred to as "the Union")

Casuals

Casuals may be employed for clean up, removal of banding and strapping in the rack area and outside, dunnage removal, disposal of damaged pallets, slag clean-up and other mutually agreed duties. Casuals shall be paid \$13.00 per hour and shall accumulate no seniority. They shall also be exempt for coverage under Medical Plan, Dental, Group Insurance and Pension provisions of this Agreement. Casuals are also exempt from Saturday, Sunday and General Holidays overtime provision.

No Casuals may be employed if any member of the bargaining unit are on lay-off unless the members on lay-off refuse the casual job.

The Employer agrees to give preference to sons and daughters of current employees.

The Employer and the Union agree the application of this Letter of Understanding shall be restricted to the Vancouver Branch.

Signed at _____, B.C .this _____ day of _____, 2006

INDEPENDENT SPECIALTY STEELS LTD.

**UNITED STEELWORKERS
ON BEHALF OF LOCAL UNION 2952**

**WESTERN EMPLOYERS LABOUR
RELATIONS ASSOCIATION**

LETTER OF UNDERSTANDING #3

BETWEEN: INDEPENDENT SPECIALTY STEELS LTD.

(hereinafter referred to as "the Company")

**AND: THE UNITED STEELWORKERS
ON BEHALF OF LOCAL UNION 2952**

(hereinafter referred to as "the Union")

This Letter of Understanding is in effect from January 31st, 2006, or when there are seven bargaining unit members, whichever comes first.

Re: EMPLOYEE EMPOWERMENT

1. The Company and Local Union 2952 are committed to a successful operation, founded on principles of respect and tolerance between the employees and the management of the Company. The Parties recognize that the Company and the Union do not always have the same goals, however, these different goals do not always conflict. Both the Company and the Union share common objectives relating to achieving the ongoing viability of Independent Specialty Steels Ltd. and, in turn, providing greater employment security and improved working lives for employees. The Parties recognize that change is required in the Management, Union and involvement of employees in order to achieve these objectives. In this regard, the Company and the Union agree to a process for introducing joint decision making dedicated to developing employee empowerment. For the purpose of this Letter, employee empowerment is defined as workers having the authority and training to become involved in decision making in workplace matters involving continuing improvements in productivity unit cost reduction and quality where:
 - a) the role of supervisors will emphasize coaching and coordinating instead of directing;
 - b) workers will acquire greater influence and responsibility over day-to-day operations;
 - c) the skill content of jobs will be enhanced through better training;
 - d) workers will have the flexibility and the opportunity to utilize their skills.

Employee empowerment will encompass the principles of environmental protection, safety and respect for the individual, and may evolve to include new job progression and rotation systems and the establishment of work groups or self-regulated work teams.

2) CONTINUOUS IMPROVEMENT COMMITTEE

1. In order to achieve the objectives outlined above, the Parties will immediately establish Local Continuous Improvement Committees made up of two (2) members from the Company Management and two (2) members from the Union Bargaining Group to jointly direct the development, implementation and maintenance of an employee empowerment process.
2. The duties of the Local Continuous Improvement Committees will include the following:
 - a) establishing, by consensus, guidelines and training requirements specific to employee empowerment;
 - b) selecting and approving, by consensus, training programs, as well as all consultants, advisors and instructors retained to assist the development and implementation of employee empowerment;
 - c) approving, by consensus, all proposals for the development of employee empowerment which require modification or clarification relative to the Collective Agreement;
 - d) approving, by consensus, payment of lost time wages by the Company to the Union member employees for meetings of the Local Continuous Improvement Committees;
 - e) the Company and the Union Continuous Improvement Committees will meet not less than once a month at a mutually agreeable time.
3. Questions concerning the combination, amalgamation, creation or elimination of jobs arising from employee empowerment and/or other major proposals will be thoroughly discussed at the appropriate Local Continuous Improvement Committees.

If no agreement is reached on these questions, then the Parties will revert to the their rights under the Collective Agreement.

Signed at _____, B.C. this _____ day of _____, 2006

INDEPENDENT SPECIALTY STEELS LTD.

**UNITED STEELWORKERS
ON BEHALF OF LOCAL UNION 2952**

**WESTERN EMPLOYERS LABOUR
RELATIONS ASSOCIATION**

LETTER OF UNDERSTANDING #4

BETWEEN: INDEPENDENT SPECIALTY STEELS LTD.

(hereinafter referred to as "the Company")

**AND: THE UNITED STEELWORKERS
ON BEHALF OF LOCAL UNION 2952**

(hereinafter referred to as "the Union")

Re: **SHIFT SCHEDULING**

The Parties acknowledge that, in future, market demands and the requirement for productivity improvement may include providing services to its customers on a Saturday and/or Sunday.

Signed at _____, B.C. this _____ day of _____, 2006

INDEPENDENT SPECIALTY STEELS LTD.

**UNITED STEELWORKERS
ON BEHALF OF LOCAL UNION 2952**

**WESTERN EMPLOYERS LABOUR
RELATIONS ASSOCIATION**

LETTER OF UNDERSTANDING #5

BETWEEN: INDEPENDENT SPECIALTY STEELS LTD.

(hereinafter referred to as "the Company")

**AND: THE UNITED STEELWORKERS
ON BEHALF OF LOCAL UNION 2952**

(hereinafter referred to as "the Union")

The Union recognizes that the Company has embarked on a pro-active health and safety program with the object of eliminating all workplace accidents.

Furthermore, the Union is committed to working with the Company in reducing the Lost Time Injury (LTI) frequency rate.

Signed at _____, B.C. this _____ day of _____, 2006.

INDEPENDENT SPECIALTY STEELS LTD.

**UNITED STEELWORKERS
ON BEHALF OF LOCAL UNION 2952**

**WESTERN EMPLOYERS LABOUR
RELATIONS ASSOCIATION**
