

**BASIC
AGREEMENT**

August 30, 2013

BETWEEN

U. S. STEEL CANADA, INC.,
Lake Erie Works
(Hereinafter referred to as
Lake Erie Works or the Company)

- AND -

LOCAL UNION NO. 8782
United Steel, Paper and Forestry, Rubber,
Manufacturing, Energy, Allied Industrial and
Service Workers International Union
(Hereinafter referred to as the
United Steelworkers or the Union)

SECTION 1 INTENT AND PURPOSE

- 1.01** It is the intent and purpose of the parties hereto to set forth herein the Basic Agreement covering wages, hours of work and other terms and conditions of employment to be observed and to provide a procedure for the prompt, and equitable adjustment of alleged grievances, to the end that there shall be no interruption or impeding of work, work stoppages, strikes or other interference with production during the life of this agreement.
- 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 six (6) persons, half of whom shall consist of Senior Works Management and the other half representing the Executive of the Union. 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 may 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 Basic 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 Item 4. It is understood, however, that such meetings are not intended to replace nor interfere with the established Collective Bargaining procedures, the provisions of the Basic Agreement, the Grievance Procedure or other established procedures for administration of the Basic Agreement.
 - (d) Details as to the scope of such discussions and other procedural matters will be subject to mutual agreement of the parties.

SECTION 2 RECOGNITION OF UNION

- 2.01** The Company recognizes the Union as the sole and exclusive certified collective bargaining agency for all the hourly and production employees of Lake Erie Works, but excepting:
- (a) Officers and officials of the Company,
 - (b) Persons acting in a supervisory or confidential capacity or having authority to employ, discharge, or discipline employees,

- (c) Plant Protection personnel.
- 2.02** The term "employee" or "employees" as used in this agreement shall mean only such persons as are included in the above defined bargaining unit.
- 2.03** Any difference which arises between the Union and the Company as to whether a person is in the said bargaining unit may be treated as a grievance and dealt with under the procedure for adjusting grievances set forth in Section 9 hereof.
- 2.04** The parties agree that:
- (a) There shall be no intimidation of, and no discrimination against any employee either by the Company or the Union by reason of any activity or lack of activity, past, present or future, with respect to Union affairs or membership.
 - (b) No meeting for any purpose of the Union shall be held on the Company's premises except with the written permission of the Company.
 - (c) No Union activity shall take place on the Company's premises on the part of any employee during his/her working hours or on Company time (save as expressly authorized by this agreement) or in such manner or place or at such time as may interfere with or distract or divert any other employee or employees during their working hours or on Company time.
 - (d) Officers, Chief Stewards and Stewards of the Union shall be free to accept voluntary applications for membership in the Union, subject to the above prohibitions.
 - (e) The Union shall not distribute or cause to be distributed any handbills, pamphlets, dodgers, Union publications or the like on Company premises except as permitted by the Company. Such permission shall not be unreasonably withheld.
- 2.05** (a) It is recognized that the Company may place non-bargaining unit personnel on bargaining unit jobs for the purpose of providing training for non-bargaining unit positions. It is understood that employees will not be displaced thereby and nothing herein shall be deemed to waive the provisions of Section 7. Prior to the commencement of such training, the Company will notify the Grievance Committee Chairperson in writing, of any personnel hired or selected for such training.
- (b) A grievance alleging a violation of this section may be filed directly at Step No. 2 of the grievance procedure by the Chief Steward of the department.

SECTION 3 COLLECTION OF UNION DUES

- 3.01** During the term of this agreement the Company shall deduct Union dues from the wages of

each employee and shall forthwith remit the amounts so deducted to the Financial Secretary of the Union.

3.02 Such deduction shall be made from the wages payable to each employee on the first pay day in each calendar month. The Company shall notify the Financial Secretary of the Union of the name of any employee whose wages were insufficient to permit such deduction and shall not be obligated to make such deduction from subsequent wages.


3.03 The amount of Union dues to be deducted shall be the regular monthly membership dues duly authorized by the Constitution of the Union. The Financial Secretary of the Union shall notify the Company by letter of the monthly amount of such dues and any changes therein, and such notification shall be the Company's conclusive authority to make the deduction specified.

The Company shall provide a list to the Financial Secretary of the Union on a bi-weekly basis, or in the case of Supplementary Plan payments, on a quarterly basis.

The list shall contain:

- (a) A list identifying each individual in the Bargaining Unit from whom dues were deducted and the amount of dues deducted from each and the totals of such amounts.
 - (b) A list setting forth the amount by which any individuals are in arrears with their dues payment and the apparent reason for such arrears.
 - (c) A list identifying each individual in the Bargaining Unit and specifying the quarterly Supplementary Payment Plan received by each employee and the total of such amounts.
 - (d) A list specifying the gross bi-weekly earnings of each employee from whom dues were deducted and the totals of such bi-weekly earnings.
- 3.04** All employees hired during the term of this agreement shall, as a condition of employment, and within 30 days after commencement of their employment, be required to execute an authorization for deduction of their Union dues, in the form hereinafter provided. Such authorization, and all other authorizations in effect on or after the signing date of this agreement, shall not be revocable, subject to the provisions of this agreement, notwithstanding any provision contained in any previously executed authorization.
- 3.05** An authorization by an employee shall be deemed to be revoked, (a) upon termination of employment, or (b) upon transfer out of the bargaining unit. The authorization shall automatically be reinstated if, in the former case, the former employee is recalled in accordance with 7.03 hereof, or, in the latter case, he/she is transferred back into the bargaining unit.

3.06 Authorization for deduction of Union dues shall be in the form as shown below:

 U. S. Steel Canada A Subsidiary of United States Steel		AUTHORIZATION TO DEDUCT UNION DUES	
L46 (REV. 2010-10)			
SURNAME		INITIALS	EMPL. ID. No.
ADDRESS		CITY	POSTAL CODE
<p>I hereby authorize U. S. STEEL CANADA to deduct my Union Dues from all my earnings payable in each bi-weekly pay and to remit such amount to the Financial Secretary of Local No. 8782, United Steelworkers.</p> <p>And the release of my contact/ mailing address to Local 8782 and Equity Assurance for administrative purposes.</p> <p>This Authorization shall not be revocable, and subject to the provisions of the Basic Agreement between the Union and the Company, shall remain in effect so long as the Union is the bargaining agent of the unit of employees to which I belong.</p>			
DATE AUTHORIZATION EFFECTIVE		DEPARTMENT	
SIGNATURE OF WITNESS		SIGNATURE OF EMPLOYEE	

SECTION 4 MANAGEMENT FUNCTIONS

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

SECTION 5 HOURS OF WORK, OVERTIME, ALLOWANCE AND PREMIUMS

5.01 This section provides the basis for the calculation of any payment for overtime, and for establishing work schedules, but shall not be read or construed as a guarantee of hours of work per day or week, or a guarantee of days of work per week.

Hours of Work

- 5.02** (a) The normal work day for the purpose of Clauses 5.02 to 5.06 inclusive shall be eight (8) hours of work in a 24-hour period.
- (b) Subject to 5.03 the normal work week shall be any five (5) normal work days within a work week.
- (c) The Union will be notified of the scheduling of monthly safety meetings and shall be provided with a proposed agenda. The parties will meet to discuss the scheduling of safety training. Notwithstanding the provisions of Section 5, it is understood that employees may be required to attend the monthly meetings up to one (1) hour before their normal work day (eight (8) or twelve (12) hours) and such time will be compensated in accordance with the provisions of Section 5. In all other instances hours worked will be governed by the provisions of the Employment Standards Act.

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

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

For the Union: Senior Level Committee representative and Chief Steward of the department involved, or their delegates;

For the Company: Human Resources Manager and Divisional Manager of the department involved, or their delegates.

5.04 Schedules of work for each calendar week shall be posted or otherwise made known to employees by 2:00 p.m. Thursday of the preceding week.

- 5.05** (a) Schedules may be changed by the Company at any time, provided however, that where an employee's schedule is changed after 2:00 p.m. Thursday of the week preceding the calendar week in which the change is to be effective, he/she shall be entitled to overtime rates for straight time hours worked on his/her first scheduled working day which has been changed in the calendar week in which the schedule

change is to be effective. This provision shall not apply where any change in schedule arises from:

- (i) The appointment of an employee to a permanent vacancy, or
- (ii) The appointment of an employee to a posted temporary vacancy and the reassignments when such vacancy and the resulting subsequent vacancies cease to exist, or
- (iii) The assignment of an employee to a job and any subsequent assignments arising out of the application of Clause 7.12 or 7.17, or;
- (iv) any changes in schedule requested by an employee, or;
- (v) any change in schedule due to a breakdown, or unscheduled repair, or;
- (vi) a change in the hours of work for a day, afternoon or night turn.

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

- (b) Where employees' schedules are changed under this clause, such change shall be explained at the earliest practicable time prior to the change to the Chief Steward or Assistant Chief Steward or in his/her absence, the Steward of the employees affected.
- (c) An employee's schedule may be changed to another shift or to a new working schedule provided that such changes are not made for the purposes of requiring such employee to take time off work in order to offset overtime already worked or previously scheduled to be worked.

5.06 The Company will provide a lunch period of thirty (30) minutes and such lunch period will be scheduled within the middle four (4) hours of the shift.

An employee, who works more than three (3) consecutive hours overtime immediately after having worked a regularly scheduled eight (8) hour shift, will be provided a thirty (30) minute lunch period during the second shift.

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

Overtime

- 5.07** (a) The work day for the purpose of Clauses 5.07 to 5.12 inclusive shall be the twenty-four (24) hour period beginning with the time the employee commences work and the work week shall be the seven (7) day period beginning on Sunday at the hour at which the day shift commences in any department.
- (b) Upon request, the Company shall provide a report to the Chief Steward of the Department once every calendar quarter summarizing the overtime hours worked within that department for the preceding calendar quarter, and once per calendar year may request a summary of hours worked within that department for a specified calendar month.

5.08 Overtime rates will be paid for:

- (a) Time worked in excess of eight (8) hours in a work day.
- (b) Time worked in excess of forty (40) hours in a work week.
- (c) Time worked before his/her regular starting time when an employee is called in or is notified that he/she is required to work before the regular starting time of any shift of eight (8) hours.
- (d) Time worked after the regular quitting time of any shift of eight (8) hours.
- (e) Time worked if an employee is notified that he/she is required to work on his/her scheduled day off, provided however that this provision shall not apply in the case where an employee's schedule is changed to another shift or to a new working schedule which provides alternative day(s) off and such change in schedule is in accordance with the provisions of Clause 5.05.

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

- 5.09** The hours for which a statutory holiday allowance is paid as provided in Section 12 shall be deemed to be hours worked in computing overtime on a weekly basis, provided the employee was normally scheduled to work such hours. In the event that an employee's weekly schedule for the work week in which the statutory holiday is observed is changed from what he/she would have been scheduled to work during such work week and as a result of such change in schedule there is a dispute as to whether the employee would have been 'normally scheduled to work such hours', such dispute shall be resolved on the basis of the employee's weekly schedule worked during the work week immediately preceding the work week in which the statutory holiday is observed.

5.10 If an employee works the same hours referred to in 5.09 and qualifies for the special allowance as provided in Section 12, then only the hours for which the special allowance is paid will be used in computing overtime on a weekly basis.

5.11 All overtime hours worked, as specified in Clause 5.08, shall be paid for on regular paydays at:

- (a) one and one-half times the regular rate of pay, or
- (b) double the regular rate of pay if such hours are overtime hours worked on a statutory holiday by an employee who is entitled to the special allowance in accordance with Section 12.

For the purpose of this clause, regular rates of pay shall mean the standard hourly rate of the job plus any out-of-line differential.

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

Allowances

5.13 (a) When an employee reports for work after having been scheduled or notified so to report and the work for which he/she is usually employed is not available to the extent of at least four (4) hours, he/she shall receive four (4) hours pay at the standard hourly rate of the job for which he/she was scheduled or notified to report, plus any out-of-line differential subject, however, to the provisions of 5.14 hereof.

(b) If such employee is offered other work in his/her own department during such four (4) hour period, he/she shall perform such other work at the standard hourly rate of the job for which he/she has been scheduled, plus any out-of-line differential that may apply, or the rate of pay for such other work, whichever is higher.

Additional work which may be offered will be performed at the regular rate of pay for such work.

5.14 An employee shall not be entitled to receive the four (4) hours pay as provided in 5.13, if

(a) he/she has been notified by the Company not to report for work at least two (2) hours before his/her regular starting time. An employee shall be deemed to have been so notified if the Company has given a message at the telephone number recorded by him/her in the Human Resources Department, or

(b) he/she has not so recorded any telephone number, or

- (c) he/she refuses to perform other assigned work as provided in 5.13 (b), or
 - (d) 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.
- 5.15**
- (a) When an employee is called in to work, he/she shall receive a minimum of four (4) hours pay at his/her standard hourly rate plus any out-of-line differential that may apply.
 - (b) An employee called in to work and required to report at irregular hours (i.e. not a recognized shift) shall receive a full hours pay for a fraction of an hour worked at the beginning or the end of the call-in. An employee required to report after the commencement of a recognized shift and who works the remainder of such shift shall receive a full hour's pay for a fraction of an hour worked at the beginning of the call-in only. This clause shall not apply in the case of an employee notified to report at a specified time.

Premiums

- 5.16**
- (a) Turn premiums will be paid as follows:
 - (i) For hours worked by an employee on his/her regularly scheduled afternoon turn (3:00 p.m. to 11:00 p.m. or 4:00 p.m. to 12:00 midnight) - ninety (90) cents.
 - (ii) For hours worked by an employee on his/her regularly scheduled night turn (11:00 p.m. to 7:00 a.m. or 12:00 midnight to 8:00 a.m.) - ninety-five (95) cents.
 - (b) The appropriate turn premium above shall be paid to an employee for all overtime hours worked during an afternoon or night turn as defined therein.
- 5.17**
- (a) A premium of one (1) dollar per hour shall be paid to each employee for all hours worked during the twenty-four (24) hour period following the commencement of the day shift on Saturday.
 - (b) A premium of one dollar and twenty-five cents (\$1.25) per hour shall be paid to each employee for all hours worked during the twenty-four (24) hour period following the commencement of the day shift on Sunday.
- 5.18** Any premium paid pursuant to 5.16, 5.17 or 5.19 shall not be increased by reason of having been earned in overtime.
- 5.19**
- (a) An employee who, as a result of the application of Clause 5.03 (a), is scheduled to a work pattern which does not provide two (2) consecutive days off will receive a

premium of one dollar and twenty-five cents (\$1.25) per hour for all straight time hours worked on the first scheduled working day immediately following his/her first scheduled day off.

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

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

- (b) An employee will not be entitled to split days off premium where:
 - (i) his/her scheduled days off during a work week are consecutive, or
 - (ii) his/her scheduled days off during a work week are Sunday and Saturday and he/she was scheduled in the immediately preceding work week with Saturday and Sunday as days off or with Friday and Saturday as days off.
 - (iii) As a result of an employee's request, the Company changes an employee's schedule either to or from a schedule providing for split days off.

SECTION 6 WAGES

- 6.01** The Co-operative Wage Study (C.W.S.) Manual for Job Description Classification and Wage Administration, dated October 1, 1956, as amended (hereinafter referred to as "the Manual") is incorporated into this Agreement as Appendix "A".
- 6.02** Each job shall be described and classified and a rate of pay applied to each employee on such job in accordance with the provisions of this agreement.
- 6.03** The Standard Hourly Rates of Pay in effect are set forth in Appendix B.
- 6.04** The standard hourly rate for each job class shall be the standard hourly rate for all jobs classified within such job class.
- 6.05** Effective on the dates specified in 6.03 the rate of pay of an employee who was receiving an out-of-line differential prior to such dates shall be adjusted by increasing that rate by the amount of increase in the rate for Job Class 1 and the following shall then govern:
 - (a) If the employee's new rate resulting from such increase is greater than the standard hourly rate for the job as provided in 6.03, the amount of such excess shall become the employee's new out-of-line differential and shall apply in accordance with the provisions of this agreement.

- (b) If the employee's new rate resulting from such increase is equal to or less than the standard hourly rate for the job as provided in 6.03, the rate of pay of such employee shall be adjusted to conform to the standard hourly rate for the job as provided in 6.03 and the former out-of-line differential shall be terminated.

Production and Maintenance Jobs

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

Learner Rates

6.07 An employee who is being trained on a job in accordance with the provisions of 7.09 where another employee other than the employee being trained is on the job, shall be paid a learner rate which shall be:

- (a) In the case of an employee hired for the learner job, the standard hourly rate for Job Class 2, or
- (b) In the case of an employee transferred to the learner job, the lower of:
 - (i) The standard hourly rate of the job from which transferred, and
 - (ii) The standard hourly rate of the job being learned.

Out-of-Line Differentials

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

6.09 Except as an out-of-line differential may be changed by the means herein provided, it shall continue to be paid in the amount shown on a list furnished to the Union by the Company on the signing date of this agreement to any employee included in such list during such time as the employee occupies the job for which the differential was established. The Company shall also furnish the Union with a list showing the amounts and employees who are to be paid new or increased out-of-line differentials by reason of 6.19.

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

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

- 6.12** If such employee referred to in 6.10 and 6.11 shall be returned to the job for which the out-of-line differential was established, the out-of-line differential shall be reinstated except as it may have been reduced or eliminated by 6.13.
- 6.13** In addition to other means provided in this agreement, increases in the increment between job classes shall be used to reduce or eliminate out-of-line differentials.

Description and Classification of New or Changed Jobs

- 6.14** The description and classification for each job in effect as of the date of this agreement and others subsequently established shall continue in effect unless:
- (a) The Company changes the job content to the extent of one full job class or more;
 - (b) The job is terminated or not occupied during a consecutive period of one year; or
 - (c) The description and classification is changed by mutual agreement of the Company and the Union.
- 6.15** Whenever the Company establishes a new job or changes the job content of an existing job to the extent of one full job class or more, upwards or downwards, a new job description and classification for the new or changed job shall be established in accordance with the following procedure:
- (a) The Company will develop a description and classification of the job in accordance with the provisions of the Manual.
 - (b) The proposed description and classification will be submitted to the Union C.W.S. Committee, which shall consist of three employees, one of whom shall be Chairman, for approval.
 - (c) The applicable standard hourly rate for the job shall become effective on the date the new job was established or on the date the job content of an existing job was changed.
- 6.16** If the change in job content results in a lower classification of a job, any incumbent of such job at the date of such lower classification shall receive an out-of-line differential equal to the difference between the standard hourly rate for the job before such change and the standard hourly rate thereafter. Such out-of-line differential shall be in addition to any other out-of-line differential an incumbent then has and shall be governed by the provisions of this Section.
- 6.17** Should the Company and the Union C.W.S. Committee be unable to agree upon the description and classification, the following shall be the procedure:

- (a) The Company shall install the proposed classification and the standard hourly rate for the job class to which the job is thus assigned shall apply as set forth in 6.15 (c).
- (b) The Union C.W.S. Committee may within 30 days thereafter refer in writing to the two Representatives designated in 6.21, an allegation that the job is improperly described or classified under 6.15.

6.18 If the Company is alleged to have established a new job, or changed the job content of an existing job to the extent of one full job class or more, and has failed to develop and submit a new description and classification, the Union C.W.S. Committee shall notify the Company in writing, specifying its allegations. The Company and the Union C.W.S. Committee shall discuss the matter, after which the Company shall reply in writing to the Union C.W.S. Committee's allegations. If the Company's reply is not satisfactory, the Union C.W.S. Committee may within 30 days of the date of such reply refer the matter in writing to the two Representatives designated in 6.21.

Any change in job class shall become effective in accordance with 6.15(c) provided, however, that retroactivity shall not apply for more than ninety (90) days prior to the date the Union C.W.S. Committee notifies the Company of its allegations.

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

- (a) The Company will prepare a record of such change to supplement the original job description and classification.
- (b) Such record will be submitted by the Company to the Union C.W.S. Committee. It shall not be necessary for the Union C.W.S. Committee to indicate its agreement with such record. If it is claimed that the Company has incorrectly assessed the job change or the change or changes in the job, when added to prior change or changes, requires a change in the job classification to the extent of one full job class or more, the Union C.W.S. Committee shall notify the Company in writing, specifying its allegations. The Company and the Union C.W.S. Committee shall discuss the matter, after which the Company shall reply in writing to the Union C.W.S. Committee's allegations. If the Company's reply is not satisfactory, the Union C.W.S. Committee may within 30 days of the date of such reply refer the matter in writing to the two Representatives designated in 6.21.
- (c) A notification made by the Union C.W.S. Committee as provided in (b) above must be filed within sixty (60) days of the date the record was submitted by the Company to the Union. The Union may, within such sixty (60) days, request and obtain an extension of time for an additional thirty (30) days beyond the sixty (60) day period to enable them to review the change, in which event any notification made by the

Union must be filed not later than ninety (90) days of the date the record was submitted to the Union.

Any change in job class shall be effective as of the date of the most recent change in job content.

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

- (a) The job shall be reclassified to the appropriate job class on the basis of such total accumulation and reclassification shall become effective from the date of the most recent change in job content.
- (b) The appropriate standard hourly rate shall be effective as of the date of such reclassification.
- (c) A new description and classification shall be established in accordance with 6.15 embodying such accumulation of job content changes.

6.21 The Union and the Company will each designate in writing a representative to consider referrals submitted under Clauses 6.17, 6.18 and 6.19. The Union and the Company may, upon thirty (30) days written notice, designate a replacement representative. The Union's representative shall be a representative of the International Union and the Company representative shall be a representative of the Human Resources Department.

- (a) The two representatives selected shall meet within thirty days of the date the matter was referred to them. If either representative is unable to meet within this thirty day period, a substitute representative shall be designated by the party concerned and the thirty day period referred to above shall be deemed to commence as of the date of his/her appointment. Within sixty days after the date of their first meeting, the two representatives shall jointly notify the parties hereto in writing of their agreement or failure to reach agreement. Agreement between the two representatives shall be final and binding.
- (b) If the two representatives are unable to reach agreement within the specified period, the Union may, within 30 days of the date of the written notification of the two representatives, notify the Company in writing of its intention to submit the dispute to arbitration under the provisions of Clauses 9.15 to 9.20. The Union's written notification shall contain particulars of the issues in dispute and for the purpose of 9.15 shall be considered as a grievance not adjusted in Step No. 3.

Correction of Errors

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

Transfers

- 6.23** When an employee is permanently transferred from one job to another, he/she shall be paid the rate of the job to which he/she has been transferred, except as provided in 6.10.
- 6.24** The Company may require an employee to take a temporary job other than the job on which he/she is regularly employed for any period not exceeding two (2) weeks provided, however, that if the usual rate of pay for such temporary job is less than the rate of pay including the out-of-line differential that may be applicable for the job on which such employee is regularly employed, then he/she shall receive the rate of pay applicable to the job on which he/she is regularly employed during such period.

Wage Grievances

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

SECTION 7 SENIORITY

- 7.01** For the purpose of this agreement, "service" shall mean an employee's length of service with Lake Erie Works since the date of his/her last hiring or rehiring, but shall include service as provided in 7.03 hereunder. Where two or more employees have the same service date the employee with the lowest permanent number assigned by the Company shall be considered to have the longest length of service.
- 7.02** Service and employment shall be terminated when an employee:
- (a) Resigns;
 - (b) Is discharged;
 - (c) Is laid off for lack of work;
 - (d) Is absent due to a disability not compensable under the Workers' Compensation Act, for a period exceeding the limits set forth in 7.03 (a) relating to length of service and recall entitlement;
 - (e) Is absent for more than three consecutive working days subject to the Letter of Agreement re: Employee Absences;
 - (f) Is absent due to a disability compensable under the Workers' Compensation Act for a period exceeding either, the period in respect of which weekly compensation payments are made to him/her under the said Act, or for a period exceeding the limits set forth in 7.03 (a) relating to length of service and recall entitlement, except

that in the case of an employee with ten (10) or more years of service, for a period of five (5) years, whichever is the greater;

- (g) Fails to return to work at the termination of a leave of absence, except with the written consent of the Company;
- (h) Fails to report for work within eight (8) working days after being instructed to report by mailing to him/her of a registered notice at the last address appearing on the office records, unless the employee has obtained a written leave of absence from the Company for a period which does not expire within such eight (8) days.

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

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

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

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

(c) If a former employee fails to report for work within sixteen (16) calendar days after being recalled by a registered letter addressed to the last address on the employment records, he/she shall not be further entitled to recall. The date of the registered letter recalling the employee to work shall be considered as the date of return to work if he/she reports for work within the prescribed period.

7.04 In all hiring for bargaining unit positions, the Company shall, subject to its obligations under applicable employment legislation and regulations, give consideration to the full extent of interest, to applicants who are the direct relatives (children, children-in-law, step-children, spouse, siblings, grandchildren, nieces and nephews) of Employees who meet established hiring criteria. The decision and right to hire remains vested with the Company.

- (a) An employee shall be considered a probationary employee until he/she has been in the employ of the Company continuously and has worked 1040 hours. Upon completion of such probationary period he/she shall have service dating from his/her last hiring date, and, in the case of an employee who was previously laid off and rehired, there shall be added to such service, any periods of continuous employment as a probationary employee within the six (6) month period preceding his/her last hiring date.
- (b) Grievances may not be presented in connection with the discharge or layoff of a probationary employee unless discrimination for Union activity is alleged. A probationary employee is entitled to all other rights and privileges accruing to employees under this agreement.
- (c) The parties agree that a probationary employee is not entitled to grieve his/her discharge and may be discharged at the sole discretion of the Company unless discharge for Union activity is alleged. A probationary employee is entitled to all other rights and privileges accruing to employees under this agreement. This clause shall continue to be so interpreted during the term of this agreement unless and until it is amended, modified or altered as a result of specific change or amendment to the current Labour Relations Act.

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

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

- 7.05**
- (a) The Company shall post lists on a bulletin board in each department showing the service with the Company and in the department of each employee in such department. Copies of such lists will be given to the Union and will be brought up to date every three (3) months.
 - (b) The Company shall furnish to the Union lists of employees laid off and lists of

employees recalled under this section.

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

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

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

7.07 Save as provided in 7.08 (b) and 7.12, promotions, demotions and the increase or decrease of working force for any reason shall be applied on a departmental basis.

7.08 (a) When a permanent vacancy occurs on a job, immediate notice thereof shall be posted on the bulletin board of the department for a period of seven (7) days prior to the making of any permanent appointment to the job. Copies of posted job vacancies shall be supplied to the Chief Steward of the Department.

(b) The employee with the greatest departmental service (if only assignees, i.e. persons displaced from their department under 7.12, are available, the greatest plant service) and qualifying according to 7.06, shall be entitled to the appointment. The name of the employee so appointed shall be posted on the bulletin board of the department within seven (7) days and a copy of such posting shall be supplied to the Chief Steward. The Company shall assign the successful applicant to the vacancy as soon as practicable.

(c) (i) Vacancies must be applied for within seven (7) consecutive calendar days unless the employee could not apply because of any of the following reasons:

- (1) Vacations;
- (2) Sickness or accident;
- (3) Leave of absence.

(ii) If any employee is absent for any of the reasons stated above, he/she will have the right to apply for a job posted during his/her absence provided that he/she returns to the department within a period of thirty (30) days following the appointment to the job vacancy, or within seven (7) days after his/her return to the department, whichever is the shorter period.

(d) Nothing herein shall preclude the Company from making a temporary appointment,

not to exceed thirty (30) days, to any job.

7.09 When a job vacancy is expected to result within thirty (30) days because of the establishment of a new occupational classification or an employee's termination of employment, transfer to another department or out of the bargaining unit, an opportunity to train for such vacancy will be posted and filled in the same manner as a permanent job vacancy provided a qualified employee is not available.

7.10 If the Company trains an employee for other than a permanent job vacancy nothing herein shall preclude his/her right to return to his/her former job upon completion of his/her training period.

7.11 (a) Subject to the provisions of Clause 7.06, a temporary vacancy caused by an employee's absence will be filled by assigning the senior qualified employee from within the divisional unit and who is on the shift on which the vacancy occurs except as hereinafter provided:

(i) In the event that the Company is unable, due to operational requirements, to assign the senior qualified employee to such temporary vacancy, he/she will be paid at the rate of the job on which the vacancy occurred for hours worked on the shift in question.

(ii) Should an employee not wish to be assigned to temporary vacancies under this provision, he/she must sign a waiver form provided by the Company. Such waiver shall not be effective until the employee's next scheduled work day. Such a waiver may not be revoked by the employee until it has been in effect for at least thirty (30) days and such revocation shall not be effective until a period of thirty (30) days has elapsed from the date of filing such revocation with the employee's supervisor. Such revocation will be in writing on a form provided by the Company.

(iii) An employee shall not be entitled to be considered for a temporary vacancy unless such vacancy carries a higher rate of pay than the job on which the employee is working at the time the vacancy occurs.

(iv) Clause 7.11(a) shall only apply to a temporary vacancy caused by the absence of an employee from work for the full shift except when the foreman becomes aware in advance of either the start of the shift or during the shift that the employee will be absent from work for more than two (2) hours.

(v) A temporary vacancy caused by the absence of an employee for any of the following reasons or any combination thereof, will be filled under the provisions of 7.11(a) and the provisions of 7.11(b) shall not apply, regardless of the duration of such vacancy:

(1) the assignment of an employee under the provisions of Clause

7.11(a),

(2) the assignment of an employee for training on more than one job, or for training on one job for thirty (30) days or less,

(3) scheduled vacation.

(vi) For the purpose of this clause, the divisional units are established as follows:

Ironmaking

1. Furnace
2. Raw Materials Handling & Stockhouse

Cokemaking

1. Coke Oven Batteries

Steelmaking

1. Steelmaking – B.O.F. Pit
2. Refractories and Material Handling
3. Caster
4. R.H.O.B.

Plant Services

1. Operating Equipment
2. Hoisting
3. Attendants

Hot Strip Mill

1. H.S.M.
2. H.S. Finishing, Shipping, Quality Control
3. Conditioning

Utilities

1. Division 1 (HSM & CPS)
2. Division 2 (By-Products, Plant Utilities, Blast Furnace, BOSCO)

- (b) (i) When it can be determined that a temporary vacancy, caused by an employee being on leave of absence for sickness, injury or other reasons, will exist for longer than thirty (30) days, notice of such vacancy will be posted in the same manner as a permanent job vacancy and the vacancy will be filled for its term in accordance with 7.06. The name of the employee so appointed shall be posted on the bulletin board of the department.
- (ii) Where an employee is unable to apply for a vacancy under 7.11(b)(i) due to the reasons specified in 7.08(c)(i) but applies for such vacancy upon his/her return, within the time limits as specified in 7.08(c)(ii), he/she will have the

right to apply for such vacancy provided that the Company anticipates the vacancy continuing for a further period in excess of thirty (30) days from the date of such application.

- (c) When two or more employees are filling temporary vacancies under the provisions of Clause 7.11(b) on the same job and one of the temporary vacancies ceases to exist, the employee senior in departmental service will first be entitled to remain on the existing vacancy or return to the job he/she previously held. In the event that such senior employee remains on the vacancy, the employee junior in department service will be returned to the job he/she previously held.

7.12 In the event of a prospective general layoff in one or more of the departments of the Company because of changes of methods of operation or because of depressed business conditions, the parties hereto shall review the status of the employees to be affected with a view to finding an acceptable solution for any problem which may arise. Such review will consider the necessary reduction in working force as specified hereinafter so that the senior employees may be retained.

- (a)
 - (i) An employee displaced from a job within his/her department will be assigned by the Company, subject to Clause 7.06, to the highest paying job held by an employee junior in service in that department, and
 - (ii) An employee thus displaced from his/her department will be assigned by the Company to a designated job held by an employee in a lower service block in any department, and
 - (iii) The employee thus displaced will be laid off work from the Company.
- (b) The following shall constitute service blocks for the purposes of this clause:
 - (i) Probationary employees in the department affected;
 - (ii) Employees with up to four (4) months of departmental service in the department affected;

If necessary, the principle established in the above sequence may be extended by increasing service in (ii) beyond four (4) months by one (1) month intervals, i.e., 5 months, 6 months, etc.

- (c) For the purposes of Section 7, the plant will be comprised of the following departments:

- Department 1 - Ironmaking Department
- Department 2 - Cokemaking Department
- Department 3 - Steelmaking Department
- Department 4 - Hot Strip Mill Department

Department 5 - Operating Services Department

- (d) An assignment to a job vacancy hereunder shall not prejudice the right of any such employee to be recalled to nor the right of the Company so to recall him/her to the department in which he/she was employed prior to such assignment.
 - (e) Executive Officers, Chairman of the Health and Safety Committee, Chairman of the Grievance Committee, Chairman of the C.W.S. Committee, Production Coordinator, Chairman of the Joint Trades and Crafts Training Committee, Chief Health and Safety Representatives and Chief Stewards of Local 8782 who are employees of the Company will be given preferential service during a layoff for the purpose of carrying on their Union duties provided such Officers, Chairmen, Coordinators, Chief Health and Safety Representatives and Chief Stewards can perform the jobs available during such layoff and provided further that the total number of Union Officers, Chairmen, Coordinators, Chief Health and Safety Representatives and Chief Stewards granted such service will not exceed 23. A list of Executive Officers, Chairmen, Coordinators, Chief Health and Safety Representatives and Chief Stewards will be furnished to the Company.
 - (f) It is understood that there may be some delay in making arrangements for the transfer to other jobs in the same department or other departments of employees displaced from their jobs by reason of a layoff or decrease in working force, but the provisions of this section will be implemented as soon as reasonably possible.
 - (g) In the event of a decrease in working force within a department, the displaced employee will, whenever practicable, be returned to the regular jobs they previously held when operations are increased or when a permanent vacancy occurs on such jobs, in which event the provisions of Clause 7.08 shall not apply. The term "regular jobs they previously held" will mean any job previously held by such employee as a result of either his/her appointment to such job under Clause 7.08 or his/her permanent assignment to such job under 7.12(a). This provision shall not apply in the case of such employees who have been appointed to permanent vacancies formerly occupied by other than displaced employees and have designated in writing their intention to remain on the job when operations are increased. A copy of such written designation will be supplied to the Chief Steward.
- 7.13** (a) Any employee requesting a transfer from one department to another shall, if transferred, retain his/her service standing in the department from which he/she was transferred for a period of thirty (30) days after which his/her service shall be limited to his/her length of service in the new department. If an employee so transferred does not do the required work satisfactorily and maintain the standard rate of production established on the job within such thirty (30) day period or if the employee is dissatisfied with the job he/she has been transferred to within the thirty (30) day period, he/she shall be returned to his/her former department if it is operating and to his/her old job if and when it is operating. An assignment to job vacancies under 7.12 shall not be deemed to be a transfer. If an employee is

transferred to the department in which he/she was assigned in accord with 7.12 and is retained in that department for thirty (30) days after the date of transfer, his/her departmental service shall commence as of the date of his/her last assignment to such department.

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

7.14 (a) Any employee transferred from one department to another by the Company shall carry with him/her the departmental service record which he/she has acquired in the department from which he/she was transferred and shall carry his/her service to such other department.

- (i) In the event the employee to be transferred in accordance with (a) above does not wish to be transferred and a junior employee within the department will accept such transfer, the Company will, subject to 7.06, transfer the junior employee.

- (b) Before the transfer of a job from one department to another, the Company shall discuss the matter with the Union and attempt to reach agreement concerning the transfer. Where no such agreement is reached, the Company may transfer the job as proposed, except that during the period of this Agreement, any employee with departmental service in the department from which the job was transferred, shall retain the right to claim such job, subject to 7.06, in the event of a decrease in working force in his/her department. Where an employee exercises such a right to claim a job transferred to another department, he/she shall be considered to have been transferred to such other department in accordance with (a) hereof. Such transfer shall not waive the provisions of 7.12(g).

7.15 All transfers shall be arranged through the Human Resources Department. The Senior Level Committee will be notified of transfers occurring under the provisions of 7.13 and 7.14.

7.16 It is agreed the Company may transfer an employee to a non-bargaining unit position for the purpose of assessing the employee's capabilities for an appointment to a position outside of the bargaining unit. Further, it is the intention of the Company to make a determination as to whether or not to transfer the employee to a non-bargaining unit position within six months from the beginning of the assessment period.

It is further agreed that it is not the Company's intention to transfer an employee back to the bargaining unit after such appointment to a non-bargaining unit position unless the circumstances surrounding a transfer back to the bargaining unit are of a very personal nature or unforeseen business conditions dictate and there are no other practical alternatives. The Company shall meet with the Senior Level Committee to review the

circumstances.

If the parties agree there are no practical alternatives, the individual will return to the bargaining unit with a departmental start date reflecting the date of the transfer back into the bargaining unit. Such employee will retain their service for the purpose of credited service for vacation and pension entitlement only. The employee will have to serve the probationary period as defined in Section 7.04 (a).

7.17 For the purpose of this Section, the term "layoff" or "decrease in working force" shall not include:

- (a) Interruption of work due to major breakdowns or scheduled major repairs of less than fourteen (14) consecutive days duration. When the circumstances indicate that the period of the breakdown or repair will exceed fourteen (14) consecutive days, the provisions of this Section will be implemented as soon as possible.
- (b) Interruption of work in the form of a reduced work week of not less than four (4) days a week for a maximum of four (4) weeks during any three (3) month period unless extended by mutual agreement. The Company will discuss with the Union in advance any intention to apply this provision. Any days lost by employees hereunder during any three (3) month period shall reduce the number of days lost under (a) during the same period.

SECTION 8 TRAINING

8.01 Production and Service Occupations

In addition to training initiated by the Company, training may be requested by employees and shall be made available as follows:

- (a) When the Manager of a department determines there is a need to train additional employees for a job, the senior employee who has requested training in accordance with 8.01 (b) below, and who possesses the required basic qualifications, shall be provided training on such job. If he/she is successful in completing such training, his/her qualifications shall be posted and he/she will return to his/her previous job pending a vacancy.
- (b) An employee who desires to train for another job in his/her department may apply in writing to his/her Manager for the necessary training. If such job is in a line of sequence within the divisional unit to which he/she is assigned, he/she shall be given training on such job, in accordance with (a) above, provided he/she is qualified on the job next lower in the line of sequence. If such job is in a line of sequence in another divisional unit within his/her department, he/she will only be considered for training on the base job in such line of sequence.

- 8.02** Lines of sequence, where applicable within a department, will be established and mutually agreed upon by the Manager and Chief Steward of such department. The Manager shall designate the base job in each line of sequence on which the training of an employee applying under 8.01 shall be undertaken. The Manager shall discuss such designations with the Chief Steward of the department concerned. It is understood that such job may not necessarily be the lowest job in the line of sequence.
- 8.03** Employees who are training under clause 8.01 shall be paid in accordance with the provisions of 6.07.
- 8.04** An employee who applies for and receives training on a job under the provisions of 8.01 and becomes qualified on such job will be deemed to have applied for any and all vacancies posted under the provisions of clause 7.08 and 7.11 (b) and will be required to fill any vacancy occurring under the provisions of clause 7.11 (a) for a period of one year from the date on which he/she becomes qualified on such job.
- 8.05** An employee will not be eligible to be considered for training under this provision on more than one job unless: six months have elapsed from the date he/she became qualified on a job for which he/she had previously requested and received training, or he/she has been appointed to a permanent vacancy on the job for which he/she had previously requested and received training, whichever first occurs.
- 8.06** Costs incurred by an employee for offsite training programs which are required by the Company shall be reimbursed. Specifically, the Company will reimburse an employee for parking, highway tolls, overnight lodging / airline fees / rental cars / meals (as required and approved by the Company) and the differential mileage as determined by the mileage difference between an employee's home to Lake Erie Works as compared to the distance from employee's home to the training location. Travel to the off site training locations will be the most direct route.

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

SECTION 9 ADJUSTMENT OF DISPUTES

Union Representation

- 9.01** The Union shall be entitled, in accordance with a letter from the Company dated the signing date of this agreement to select Stewards, some of whom shall be designated Chief Stewards and Assistant Chief Stewards as outlined in Item 2 of the Basic Agreement.
- 9.02** The Union shall be entitled to select a Grievance Committee of up to five (5) members, one of whom shall be the Chairman.

- 9.03** The duties of the Stewards, the Chairman and members of the Grievance Committee shall be to assist in adjusting disputes in accordance with the terms of this agreement. The duties of the Stewards shall be limited to the adjustment of disputes in the department for which they are appointed, while such disputes are being processed through Step Nos. 1 and 2.
- 9.04** (a) The Grievance Committee shall be afforded such time off without pay (except as hereinafter provided) as may be required for attendance at regularly scheduled Committee meetings and attendance at meetings pertaining to discharge or other matters which cannot reasonably be delayed until the time of the next regular meeting. Each member of the Grievance Committee will be paid the rate of the occupation to which he/she would normally be assigned, for attendance at meetings held for the processing of grievances at Step No. 3, up to but not exceeding a total of thirty (30) hours in any calendar month for the whole Committee and the hours may be cumulative during the term of this agreement. Members of the Grievance Committee who are "off shift" but attend Step No. 3 meetings will also be entitled to payment as outlined above, but it is understood that such hours are not to be deemed hours worked under any other provision of this Agreement.
- (b) A member of the Grievance Committee who has requested and been granted permission to leave work for the purpose of attending a Third Step Grievance Meeting will be allowed up to one (1) hour in total for leaving and returning to his/her job prior to and after such meeting. The employee will be paid for such time lost from work in accordance with (a) above.
- 9.05** A representative of the Union shall obtain the permission of his/her foreman before leaving his/her work to deal with a grievance. Such permission shall not be unreasonably withheld.

Grievance Procedure

- 9.06 Step No. 1** - Any employee who believes that he/she has a justifiable grievance or dispute may discuss and attempt to settle it with his/her Foreman, with or without a departmental Chief Steward or Steward being present, as the employee may elect. The Foreman will make known his/her decision to the employee within seven (7) calendar days. The settlement of grievances at Step No. 1 shall not constitute a precedent nor be used as a precedent in future cases by either the Company or the Union and shall be without prejudice to the position of either party. Grievances not adjusted in this way may be appealed to Step No. 2.
- 9.07 Step No. 2** - Notice of appeal must be given to the Foreman by the Chief Steward or his/her Steward delegate of the department in which the dispute arose. Such notice shall consist of a written statement of the grievance containing particulars of the incident giving rise to the grievance and shall be signed by the aggrieved employee and dated as of the date of its submission. The Manager or his/her delegate shall meet with the Chief Steward or his/her Steward delegate within seven (7) calendar days, to investigate the grievance and attempt to settle it. A written decision shall be given by the Manager or his/her delegate within seven (7) calendar days after the date of such meeting. Grievances not adjusted in Step No. 2 may

be appealed to Step No. 3.

- 9.08 Step No. 3** - Notice of appeal must be given in writing within Twenty-one (21) calendar days from the date of the written decision of the Manager or his/her delegate to the Manager of Human Resources. The General Works Manager or his/her delegate shall meet with the Grievance Committee, which may be accompanied by an International Officer or representative of the Union within twenty-one (21) calendar days, to investigate the grievance and attempt to settle it. A written decision shall be given by the General Works Manager or his/her delegate within fourteen (14) calendar days after the date of such meeting.
- 9.09** A grievance once processed at any step of the Grievance Procedure will not be again considered except by way of appeal taken within the times therein provided.
- 9.10** No employee other than a probationary employee shall be discharged without first being given seven (7) days notice except in cases of serious misconduct, when discharge shall be effective immediately. An employee who is being notified of his/her discharge may elect to have the Grievance Chairperson or delegate present. In the event that the Grievance Chairperson or delegate is not present at the time the employee is notified of his/her discharge, the Company will notify the Chief Steward of all immediate discharges or notice of discharge given to employees in his/her department, excepting probationary employees, within forty-eight (48) hours after such discharge or notice of discharge has been effected. Grievances relating to notice of discharge or discharge may be initiated at Step No. 2 of the Grievance Procedure and may be appealed directly to Step No. 3.
- 9.11** Except as otherwise provided, grievances must be presented in writing within fourteen (14) calendar days from the date of the incident giving rise to the grievance. A former employee who is entitled to recall under 7.03 shall be eligible to file a grievance concerning such recall. Grievances which are not presented within the specified time limits may not be processed through the Grievance Procedure without the consent of the Company and in any event are not arbitrable.
- 9.12** (a) In the event that more than one employee is directly affected by one specific incident and each such employee would be entitled to process a grievance, the Chief Steward shall sign the statement of the grievance on behalf of the aggrieved employees and shall identify the grievances as a "Group Grievance". The names of such employees shall be attached to the grievance. A "Group Grievance" may be initiated at Step No. 2. For the purposes of this provision only, the time limits of Clause 9.11 shall be thirty (30) days.
- (b) If the Company is alleged to have violated any provisions of this agreement and such violation affects the interest of the Union as a party to the Agreement, the Union may file a grievance, beginning at Step No. 2, which shall be signed on behalf of the Union by the Chairman of the Grievance Committee and shall be identified as a "Union Policy Grievance". The time limits of Clause 9.11 shall not

apply, except that if retroactive wages are claimed, the time limits of Clause 9.11 shall be thirty (30) days.

- (c) Grievances that concern the interpretation, application or administration of the Manual may be initiated by the Union and shall be resolved in accordance with the provisions of this Section beginning at Step No. 3.

9.13 The Grievance and Arbitration Procedure may be invoked by the Company. Such grievances may be initiated by the Company at Step No. 3 of the Grievance Procedure by filing with the Chairman of the Grievance Committee. For such purpose, the provisions of this Section 9 will be read and construed with necessary changes.

Arbitration

9.14 Grievances not adjusted in Step No. 3, relating to the interpretation, application, administration, or alleged violation of this agreement, including any question as to whether a matter is arbitrable, may be referred to a Board of Arbitration hereinafter called the Board, by notice in writing addressed to the Manager of Human Resources within thirty (30) calendar days from the date of his/her written decision. Such notice shall specify the agreement clauses involved.

9.15 Within ten (10) days from the date on which the grievance is referred to arbitration, each party shall notify the other in writing of the appointment of a representative to the Board. No person shall be appointed as a representative who has participated in prior efforts to settle the grievance to be arbitrated.

9.16 The two appointees so selected shall, within five (5) days of the appointment of the second of them, appoint a third person who shall be the Chairman.

9.17 Where the representative of the Union has been appointed in accordance with 9.15 and the Company fails to appoint a representative as therein provided, or where the two representatives fail to agree upon a Chairman within the time specified, the appointment shall be made by the Minister of Labour for Ontario upon the request of either party.

9.18 The Board shall not have any authority to alter or change any of the provisions of this agreement, or to substitute any new provisions in lieu thereof, or to give any decision contrary to the terms and provisions of this agreement, or to deal with wages except as provided in this agreement, but, save as aforesaid, the decision of the Board or of a majority of the arbitrators shall be final and binding upon the parties hereto and upon any employee or employees concerned. The Board may nevertheless decide whether or not retroactive wages are payable because an employee has been deprived of wages as a result of a violation of the agreement by the Company and, where such violation involves disciplinary action resulting in loss of wages, whether the disciplinary action should be modified if in the opinion of the Board the extent of the discipline is unreasonable in relation to the offence. Except as otherwise provided in this agreement, the Board may not award such retroactive pay for a period in excess of sixty (60) days immediately preceding the date of

the written statement of the grievance provided at Step No. 2 of the Grievance Procedure.

- 9.19** The Union and the Company shall each pay one-half of the remuneration and expenses of the Chairman of the Board and save as aforesaid shall each bear its own expenses of any such arbitration.

SECTION 10 STRIKES AND LOCKOUTS

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

SECTION 11 VACATIONS

- 11.01** (a) An employee shall be entitled to an annual vacation with pay in accordance with the following scheduled, on the basis of his/her service at July 1st in each year:

One (1) year of service but less than Five (5) years - Two (2) weeks.

Five (5) years of service but less than Nine (9) years - Three (3) weeks.

Nine (9) years of service but less than fourteen (14) years - Four (4) weeks.

Fourteen (14) years of service or more- Five (5) weeks.

As an exception to the above vacation entitlement, those employees who as of the Effective Date of the 2013 Basic Agreement were entitled to six (6) weeks vacation will retain such entitlement and there will be no further increases to vacation entitlement during the course of their employment. Employees who, as of the Effective Date of the 2013 Basic Agreement, were entitled to seven (7) weeks vacation will retain such entitlement.

- (b) (i) An employee with thirty (30) or more years of service shall be entitled to fifteen (15) weeks of extended vacation with pay in addition to his/her

regular vacation entitlement under 11.01 (a) prior to his/her retirement date, less any vacation entitlement taken under this provision. This entitlement only applies to those employees, who as of the Effective Date of the 2013 Basic Agreement, had twenty-eight (28) or more years of Qualification Service, as defined in the Lake Erie Works Bargaining Unit Pension Plan.

- (ii) An employee with twenty-two (22) or more years of service will be entitled to defer (bank) up to two (2) weeks of his/her annual vacation entitlement per year - up to a maximum of eight (8) weeks - to be taken as pre-retirement vacation immediately prior to his/her retirement date.
- (c) An employee who has not completed one (1) year of service as of July 1, will be entitled upon completion of his/her probationary period to one (1) day of paid vacation for each month of completed service as of July 1, to a maximum of five (5) days of vacation. Payment for such vacation shall be in accordance with Clause 11.05. However, additional vacation time as required by the application of the Employment Standards Act will be unpaid. The time at which vacation shall be taken shall be prescribed by the Company.

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

11.03 (a) Except as provided in (b) hereof vacation pay for each week of vacation shall be established by multiplying the employee's average hourly earnings during the calendar quarter year immediately preceding the vacation by forty (40). However, vacation pay for those employees with less than three (3) weeks vacation entitlement will be the greater of the calculation provided for above or the calculation provided by the Employment Standards Act.

- (b) Vacation pay for each week of vacation shall be 2% of the employee's earnings during the vacation year, if the employee:
 - (i) has been on leave of absence for reasons other than disability or Union business directly related to the bargaining unit, for more than a combined total of 350 hours during the vacation year, or
 - (ii) has worked less than 520 hours during the vacation year for any reason, except that if an employee is required to take a vacation during the months of January and February, hours not worked between the previous July 1st and December 31st by reason of:
 - (1) absence on a scheduled vacation, or
 - (2) the celebration of a statutory holiday for which the employee was paid an allowance under clauses 12.01 or 12.02,

shall be deemed to be hours worked for the purposes of this provision.

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

- (c) An employee shall receive his/her vacation pay for a week of vacation prior to the vacation being taken, if requested at the time of booking the vacation.
- 11.04** (a) An employee shall receive an additional payment equal to \$250 per week of vacation taken from active work during the first sixteen (16) consecutive weeks of the year beginning with the first full week following the calendar week containing New Years Day.
- (b) Such additional payment shall not apply to vacation pay for extended vacations provided in 11.01 (b).
 - (c) An employee may elect to schedule two (2) weeks of his/her annual vacation entitlement in single days.
- 11.05** An employee with three (3) months service but less than one (1) year at July 1st shall be paid as vacation pay 4% of his/her earnings from the date of his/her employment to July 1st.
- 11.06** An employee whose employment is terminated shall be paid vacation pay in the amount of 2% of his/her earnings since the preceding July 1st in respect of each week of vacation to which he/she was entitled on such July 1st plus any payment to which he/she is entitled under Clause 11.04.
- 11.07** The time at which the vacation of any employee shall be taken shall be prescribed by the Company. When a department is completely shut down all employees qualifying for vacations with pay normally will be required to take their vacations during the shutdown period. In cases where the length of the vacation is greater or less than the shutdown period, the Management will endeavour to make satisfactory arrangements.
- 11.08** An employee may be scheduled for a week of vacation, commencing on any day of the last calendar week of December, even though such week of vacation may not terminate until after December 31st and providing that such week of vacation commences prior to January 1st. Any employee scheduled for vacation in accordance with the foregoing, will be considered as having been properly scheduled and paid for such week of vacation on the basis that the week of vacation will be considered for all purposes to be a week of vacation entitlement in the calendar year in which it commenced. In addition, hours not worked while on such week of vacation shall be deemed to be hours worked for the purpose of Clause 11.03(b)(2).

11.09 The Company will employ persons hired for vacation relief at Lake Erie Works to the maximum degree practicable to improve vacation scheduling.

Employees with two (2) or more weeks of vacation entitlement will be entitled to have scheduled two (2) weeks of vacation during the period May 1st to October 31st. The Company recognizes the desirability of scheduling vacation during the summer months of the year and the intent will be, where practical, to schedule more weeks of vacation during July and August.

If conditions beyond the Company's control prevent it from carrying out this commitment, the department Managers will discuss the matter with the Chief Stewards of the department involved with the objective of working out suitable alternative arrangements.

SECTION 12 STATUTORY HOLIDAYS

12.01 All employees covered by the Basic Agreement will receive a day's pay (computed under the provisions of 12.03) for Christmas Day.

12.02 (a) An employee will receive a day's pay (computed under the provisions of 12.03) for New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Boxing Day and a Floating Holiday, provided that such employee has worked one day in the month in which the statutory holiday is observed. Days of scheduled vacation shall be considered scheduled turns.

(b) The Floating Holiday as provided in (a) above will be observed for each employee during the bi-weekly pay period in which his/her birthday actually occurs as follows:

(i) The employee may elect to observe the Floating Holiday on any day in the bi-weekly pay period in which his/her birthday occurs provided that he/she arranges a mutually satisfactory day for observance with his/her supervisor no later than 2:00 p.m. Tuesday of the week preceding the bi-weekly pay period in which his/her birthday occurs.

(ii) In the event that the employee elects to work the day on which his/her birthday occurs, if such day is a scheduled shift, he/she will be paid in accordance with the provisions of Section 12. In the event that an employee elects to observe the holiday on the day of his/her birthday and such day is a scheduled day off, he/she will be paid in accordance with the provisions of Section 12.

12.03 The special allowance shall be computed by multiplying the number of hours normally scheduled for a turn for the employee by the average hourly rate earned by him/her in the preceding pay period.

12.04 An employee who qualifies for the special allowance and is required to work on such holiday shall not be entitled to such special allowance unless he/she reports for work accordingly subject to the Letter of Agreement re Employee Absences.

12.05 An employee who is scheduled to work on a Statutory Holiday, with the exception of Christmas Day, shall be paid for time worked on such a day at one and one-half times his/her regular rate of pay.

An employee who is scheduled to work on Christmas Day shall be paid for time worked on such a day at double his/her regular rate of pay.

12.06 The hours of the statutory holiday shall be the 24-hour period following the commencement of the day turn on the holiday unless some other 24-hour period is mutually agreed upon.

SECTION 13 BULLETIN BOARDS

13.01 The Union will be provided bulletin boards furnished by the Company at different locations throughout the plant for the purpose of posting notices regarding meetings and matters pertaining only to the Union. Before posting, all notices shall be submitted to the Human Resources Department or General Works Manager for approval.

SECTION 14 HEALTH AND SAFETY

14.01 (a) The Company and the Union agree to maintain the standards of Health and Safety required to prevent occupational illness and industrial injury in the plant. In this regard, the parties agree that their respective representatives shall work jointly, in a co-operative and responsible manner so as to further Health and Safety in the plant.

(b) The Company and the Union agree to comply with the requirements of all Federal and Ontario Provincial Legislation that deals with Health and Safety, including the Occupational Health and Safety Act, 1978, and the appropriate regulations and any amendments thereunder. The Company and the Union agree that no employee or member of the Joint Health and Safety Committee structure will be threatened, disciplined, suspended or coerced in the event that the employee or member of the Joint Health and Safety Committee has acted in compliance with such legislation and the appropriate regulations and any amendments thereunder.

14.02 For the purposes of overall co-ordination of the Health and Safety Program at Lake Erie Works, the Company and the Union agree to establish the Joint Health and Safety

Committee. Representation from the Union on this Committee shall consist of four (4) members, one of whom will be designated the Co-chairperson. The Union President or delegate will advise the Human Resources Department in writing of the name of the Union Co-chairperson. The names of the other three Union members will be submitted to the Manager - Health and Safety by the Union Co-chairperson. Representation from the Company on the Committee shall consist of four (4) members consisting of the Operations Manager, who shall be the Company Co-chairperson, the Manager - Health and Safety, and two others to be designated by the Operations Manager, or their delegates.

In addition to the Joint Health and Safety Committee, the Union shall be entitled to select Chief Area Health and Safety representatives and area Health and Safety Representatives as follows:

Area	No. of Chief Reps	No of Area Reps
Cokemaking	1	5
By-Products	0	3
Ironmaking	1	8
Primary Maintenance		5
Central Power Stations / Blowdown Treatment Plant	0	3
Steelmaking	1	19
Hot Strip Mill	1	15
Central Maintenance Complex	1	13
Mobile Equipment Repair	1	3
Operating Services/Plant Services	0	4
Stores/ SPI	0	1
Total	6	79

Should problems of inadequate representation and/or distribution develop during the term of this Agreement, the Company and the Union will discuss this matter with a view to arriving at an acceptable solution.

It is the intention of the Company and the Union to have the local area Health and Safety Representative and Area Manager resolve all local issues in their respective area prior to the involvement of the Chief Area Health and Safety Representative and Divisional Manager. Such discussion shall occur at a mutually convenient time and place, but prior to the end of the working hours of the Area Health and Safety Representative.

- 14.03** (a) (i) The Union Co-chairperson of the Joint Health and Safety Committee may request semi-annually, an audit of each 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.

- (ii) The Union Co-chairperson and the Manager - Health & Safety, or their delegates will participate in a tour of each department annually. Participation will be during one of the regularly scheduled department monthly tours, as set out in 14.08 (a).
 - (b) One Union representative of the Joint Health and Safety Committee, the department Chief Health and Safety Representative, the Area Manager, and the Manager – Health and Safety, or their delegates will conduct the audit of the department's Health and Safety Program as referred to above. Every reasonable effort will be made to have the Chief Health and Safety Representative or, in his/her absence, a department Health and Safety Representative available. Any technical advice which may be deemed necessary during the audit shall not be unreasonably withheld.
 - (c) At the conclusion of the audit, observations made during the audit will be discussed by all persons involved. A report of the audit will be submitted to the Divisional Manager involved and to all persons participating in the audit. Such report shall be submitted within one week of the audit and shall be jointly agreed upon and signed by the Union representative from the Joint Health and Safety committee and the Manager – Health and Safety.
 - (d) An update on all outstanding items in the above reports shall be made monthly and the updates shall be jointly agreed upon and signed by the Area representatives conducting the audit. All participants in the audit shall receive a copy of the update. Updates shall continue to be made until all issues have been addressed.
 - (e) Time spent by the Union representative of the Joint Health and Safety Committee and the Area Health and Safety Representative referred to in (a) and (b) above, shall be deemed to be work time for which they shall be paid at their regular or premium rate as may apply, while attending such inspection tour.
- 14.04** (a) An Area Health & Safety representative, familiar with the work and/or work area, if available, will be involved in incident investigations. If the Area Health and Safety Representative or the Chief Area Health and Safety Representative are not working at the time of the meeting, a Health and Safety Representative from another area will be permitted to attend. The Union Co-chairperson of the Joint Health and Safety Committee or Union representative who is "on call" shall be notified by the Manager -Health and Safety of all Critical Injuries and permitted to attend the investigations. He/she shall also be notified in a reasonable period of time of all lost time incidents and subsequent investigations. The Chief Health & Safety Representative will be invited to attend critical injury investigations, if available on shift.
- (b) Minutes of Incident Investigation meetings will be made available to the Chief

Area Health and Safety Representative through the department office. All minutes of Incident Investigation meetings will be supplied to the Union Co-chairperson of the Joint Health and Safety Committee.

- 14.05** (a) The Union Co-chairperson of the Joint Health and Safety Committee will be relieved of his/her regular duties and scheduled to Monday to Friday day shift in order to provide assistance in the delivery and carrying out of the elements of the Lake Erie Works Safety Program.

The Union Co-chairperson will be involved in the following activities:

- (i) Participate in the investigation of workplace incidents.
 - (ii) Participate in the development and implementation of safety and health programs.
 - (iii) Participate in the design of safety and health training programs.
 - (iv) Facilitate and participate in the delivery of joint training initiatives.
 - (v) Assist in the development of safe job procedures.
 - (vi) Co-ordinate, participate in, and prepare summaries of JHSC departmental audits.
 - (vii) Assist local joint divisional 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) The Union Co-chairperson may be replaced by a Union member of the Joint Health and Safety Committee when absent two (2) or more days due to scheduled vacation or approved Union business. The Union Co-chairperson shall notify the Manager -Health and Safety of his/her vacation by February 1 of each year and identify the replacement from the Health and Safety Committee by February 15 of each year.
- (d) 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.
- (e) The Union Co-chairperson of the Joint Health and Safety Committee is recognized as an ex-officio member of all committees established by the Joint Health and Safety Committee.
- (f) 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.

- 14.06** (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 four (4) hours time off work in order to prepare for each 14.06 Committee Meeting.

14.07 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 referred to in Clauses 14.06 above.

- 14.08** (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 Divisional Manager, Chief Area Health and Safety Representative, Union Co-chairperson 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 Area Health and Safety Representative and the Supervisor conducting the tour and shall be sent to the Divisional Manager, the Chief Area Health and Safety Representative, the Union Co-chairperson of the Joint Health and Safety Committee and the Manager -Health & Safety.

14.09 An employee shall be entitled, at no cost, to one pair of metatarsal boots upon turning in his/her worn out boots that had previously been provided to the employee by the Company. The returned pair of boots shall be the property of the Company and shall be disposed of.

A new employee, upon entering the employ of the Company, shall be entitled, at no cost,

to one pair of metatarsal boots. An employee, who does not complete the probationary period, shall have the cost of the boots deducted from his/her final pay.

An employee working in the scrap yard or in a major construction area will be entitled to "green patch" metatarsal safety boots in accordance with the above provisions.

14.10 The Company will continue employee health monitoring and surveillance programs relative to Benzene and Coke Oven Emissions for employees assigned within the Coke Ovens Department. Results of medical tests or examinations will be discussed with the employee and the findings will be made available to the family physician, if requested.

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

SECTION 15 LEAVE OF ABSENCE

15.01 An employee requesting a leave of absence shall apply to his/her supervisor and if such leave is granted it shall be authorized in writing, but shall not exceed twelve (12) months, provided, however, that if an emergency arises which prevents the employee on leave from returning at the end of the leave, he/she may apply for an extension.

15.02 Upon written application to the Human Resources Manager, the Company will grant extended leave of absence to not more than two members of the Union for the purpose of attending to the affairs of the Union. Any such leave of absence shall not exceed twelve (12) months and not more than two leaves of absence shall be applied for or granted during any calendar year regardless of the duration thereof.

SECTION 16 JURY SERVICE AND BEREAVEMENT PAY

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

16.02 An employee shall be permitted time off from work up to a maximum of four (4) days for the purpose of arranging and attending the funeral of a member of his/her immediate family, or where he/she does not attend the funeral, one (1) day. Where any of such days fall on a scheduled working day for the employee, he/she shall be paid a bereavement allowance for each day equivalent to 8 times the hourly rate of the occupation to which he/she would normally be assigned. Immediate family shall mean spouse, son, daughter, mother, father, sister, brother, grandmother, grandfather, grandchildren, son-in-law, daughter-in-law, mother-in-law, father-in-law, sister-in-law or brother-in-law, or, a common law spouse and mother, father, sister, brother or children of such common law spouse, provided the employee has co-habitated with such spouse for three or more years.

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

SECTION 17 SKILLED TRADES AND SERVICES

17.01 The term "skilled trades and services" shall include the list of occupations set forth below. Jobs may be deleted from or added to the list at any time in accordance with the provisions of Section 6 of the Basic Agreement. It is understood that all employees within these occupations will be expected to perform any work they are trained and qualified to perform.

Electrical Technician (Shop)
Electrical Technician
Industrial Mechanic Machinist
Mobile Equipment Technician
Industrial Mechanic
Electronic Technician
Instrumentation/Combustion Technician
Welder Fabricator

The provisions of Section 7 as they relate to permanent and temporary vacancies shall not apply to the Skilled Trades jobs. The Senior Level Committee will be notified prior to the Company permanently transferring a Skilled Trades employee from one module to another. In the event of transfer the junior qualified employee will be so transferred

17.02 Employees hired into the Apprenticeship Training Program from the Community College Cooperative Education Program or similar programs will be subject to the Letter of Agreement "Re: Cooperative Educations Programs for entry into the Skilled Trades" (Item 38). The Apprenticeship Training Program as used herein refers to employees hired in accordance with Item 38.

- 17.03** (a) The Parties recognize the importance to afford employees every opportunity to be successful in the Apprenticeship Training Program. For this purpose, the Company will recognize a Joint Company and Union Skilled Trades Training Committee (JTTC) consisting of a Union Co-Chairperson and up to seven (7) skilled trades employees, to be designated in writing, who will meet with a Company Co-Chairperson and up to four (4) Company representatives to be designated in writing.
- (b) The JTTC will meet with the Union in January, May, and September of each year, and more frequently on urgent matters. In advance of such meetings, the Parties will exchange agendas of the matters to be discussed. Union members of the JTTC will be paid for time lost from work while attending such meetings.

The JTTC will be accountable to the Senior Level Committee for all of its activities and will be responsible for dealing with matters related to:

1. The improvement of Apprenticeship Training Programs.
 2. The settlement of issues between Trades and Crafts. Utilization of job definitions as agreed to by the Joint Union and Company Trades and Crafts Training Committee will be the principle source of information used for issue resolution. Any unresolved issues may be forwarded to the Senior Level Committee for final resolution.
 3. The establishment of Training requirements for new Equipment or process.
- (c) The Company will notify the Union Co-Chairperson of the JTTC of any employees who have not made satisfactory progress in the Apprenticeship Training Program. In the event the Company decides to terminate such employee from the Apprenticeship Training Program, he/she will be terminated in accordance with the provisions of Clause 9.10. However, the Company will offer employment in an entry level production vacancy that is available at the time of termination, provided the employee is qualified to perform the work and has established a good work record during the time of his/her employment. If such employee completes his/her probationary period, his/her service shall include service prior to his/her last termination.
- (d) To the extent there is a conflict between the Basic Agreement and changes to the Apprenticeship Training Program by third parties, the matter will be reviewed by the Senior Level Committee. If the Senior Level Committee is unable to resolve the matter the Basic Agreement shall govern.

17.04 The following schedule of rates shall apply to employees hired directly into Skilled Trades Jobs:

- (a) A standard rate equal to the standard hourly rate for the respective job class of the job.
- (b) An intermediate rate at a level two (2) job classes below the standard rate; and
- (c) A starting rate at a level four (4) job classes below the standard rate.
- (d) Rate advancements shall be determined by the accumulation of 1,040 hours worked in each of the listed levels.

17.05 (a) The established starting rate, intermediate rate or standard hourly rate of pay shall be on the basis of an employee's qualifications and ability in relation to the requirements for the Skilled Trades job and shall be paid to each employee during

such time as the employee is assigned to the respective rate classification. A certificate of qualification in the respective Skilled Trades job shall be deemed to warrant the established starting rate.

- (b) Any dispute concerning the Company's determination of an employee's qualifications and ability with respect to a Skilled Trades job shall be referred to for resolution to the Co-Chairpersons of the JTTC.

- 17.06** (a) It is understood that an employee, assigned to the Skilled Trades job of Welder Fabricator, will not be demoted to a lower level of the job because of the withdrawal of any government authorization required under The Boilers and Pressure Vessels Act, 1962-63, or any amendments thereto for a period of time not to exceed six (6) months following the date on which such authorization was withdrawn. During this six (6) month period of time the employee will be entitled to an opportunity of receiving the maximum number of government tests permitted for reinstatement of such authorization. It is agreed that a Welder Fabricator will be given the opportunity to become familiar with the equipment to be used prior to such tests.
- (b) It is also agreed that, subject to the review of the Senior Level Committee, the Company will initiate a programme which will provide designated Welder Fabricators, who have not acquired a C.W.B ticket, with an opportunity to familiarize themselves with the required process and to take the C.W.B test.
 - (c) It is further understood that a Welder Fabricator may be required by the Company to obtain Government and other authorizations, other than that referred to above, in order to be qualified to perform various types of welding as determined by the Company and if so required, he/she will be given the opportunity to become familiar with the applicable welding techniques as well as the equipment to be used prior to taking the tests to obtain such authorizations. It is agreed that these requirements will not be used to determine the level of the job to which the employee is assigned.

- 17.07** The Company will supply personal hand tools required by a Skilled Trades employee or a Trades Apprentice enrolled in a Trade Apprenticeship or Cooperative Training Program, as to the agreed to tool list.

The Company will also pay the full cost of a required tool which is broken or deemed irretrievable in the performance of normal duties by a Skilled Trades employee. The broken tool must be submitted at the time the employee obtains a replacement tool.

It is understood that the tools will remain the property of the Company.

- 17.08** Expenses for training as initiated by the Company will be handled in accordance with the provisions Clause 8.06.

- 17.09** Where a current employee makes application for a Skilled Trade Journeyman he/she shall

be considered by the Company for the vacancy, provided he/she has the prerequisite qualifications as established by the Company. An employee who does not make satisfactory progress in the Training Program will be provided employment in another department provided such employee has maintained a good work record.

SECTION 18 TECHNOLOGICAL CHANGE

18.01 Both parties recognize the importance of lessening as much as reasonably possible the effects of technological change upon the job security and the earnings of an employee who may be displaced from his/her job as a result of such change. However, both Parties also recognize the positive features that technological enhancements can provide. In this regard it is not the intention of the Parties to adversely impact the employment security of an employee who may be affected by the implementation of a technological or organizational change save and except as outlined in the last paragraph of Clause 18.02 of this Section and Item 10.

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

Definition

18.02 Technological change shall mean:

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

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

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

Eligibility

18.03 An employee, in order to be eligible for a Maintenance of Earnings Benefit, must:

- (a) have 18 or more months of service, and
- (b)
 - (i) be permanently displaced from a job to which he/she has been permanently appointed or permanently assigned, as a direct result of a technological change, or
 - (ii) be permanently displaced from a job which he/she has held in accordance with the provisions of 7.11(b) for a period of one (1) year or longer prior to the permanent displacement, as a direct result of the technological change, and does not return to the job which he/she previously held, or
 - (iii) have worked on a job which has been eliminated as a direct result of technological change for at least 1040 hours during the year immediately preceding such elimination, and
- (c) have been assigned to the department in which such technological change displacement has occurred, for the three (3) month period immediately preceding such displacement, and
- (d) remain in the employment of the Company during the benefit period, and
- (e) accept the job with the highest rate of pay to which he/she is entitled and qualified to receive under the terms of the Basic Agreement during the benefit period and continue to accept assignment to any job with a higher rate of pay during the term of the benefit period.

18.04 Notwithstanding the provisions of Clause 18.02, the parties agree to extend the terms and conditions of Section 18 to an employee who:

- (a) is permanently displaced from his/her occupation as a direct result of the elimination or amalgamation of such occupation, or
- (b) is permanently displaced from his/her occupation as a result of the permanent closure of an existing facility.

The eligibility criteria of Clause 18.03 (a) (c) (d) and (e) will apply to this clause.

Maintenance of Earnings Benefit

18.05 For each pay period during the Benefit Period to which an employee is entitled as provided in 18.06 below, an eligible employee will be paid a Maintenance of Earnings Benefit,

calculated as follows:

- (a) A Maintenance of Earnings Benefit differential will be calculated which represents the difference between the Gross Hourly Rate of the job from which the employee was displaced as specified in 18.03 (b) above, and the Gross Hourly Rate of the job to which the employee is permanently assigned at the time of the displacement.
- (b) The Maintenance of Earnings Benefit differential will be applicable for each hour worked on a job during the pay period which carries a job class equal to or lower than the Gross Hourly Rate of the job to which the employee is permanently assigned as specified in (1) above.
- (c) In the event that an employee works on a job during the pay period which carries a higher Gross Hourly Rate than the Gross Hourly Rate of the job to which he/she is permanently assigned as specified in (1) above, the differential will be reduced by the difference between the Gross Hourly Rate of the job to which he/she is permanently assigned and any higher Gross Hourly Rate of a job on which the employee works in the pay period.
- (d) The Maintenance of Earnings Benefit will represent the total of the earnings calculated in accordance with (2) and (3) above plus the balance of the employee's actual earnings during the pay period.
- (e) The gross Hourly Rate of the jobs specified in (1), (2) and (3) above shall include in addition to the applicable Standard Hourly Rate, any other hourly supplementary payments applicable for hours worked on such jobs. Where such supplementary payments are calculated and paid on a quarterly basis, the appropriate hourly differential payment for such hours worked shall continue to be paid on a quarterly basis. For the purposes of this Provision, such hourly supplementary payments shall, where applicable, include the Supplementary Payment Plan and the L.E.W Fund.

Duration

- 18.06**
- (a) An eligible employee will be entitled to have his/her earnings maintained in accordance with 18.05 above for the greater of fifty-two (52) pay periods or three (3) pay periods for each year of Company service not to exceed one hundred and four (104) pay periods.
 - (b) An eligible employee who exhausts the one hundred and four (104) pay periods will further be entitled to have his/her earnings maintained for an additional twenty-six (26) pay periods at fifty (50) percent of his/her applicable Maintenance of Earnings Benefit.
 - (c) The period of time during which an employee will be eligible to receive a Maintenance of Earnings Benefit will commence at the beginning of the pay period

immediately following the pay period in which the employee became eligible and shall continue for each subsequent consecutive pay period thereafter for the appropriate number of pay periods to which the employee is entitled as provided above.

- (d) Any pay period, during the whole of which an employee is absent from work solely due to sickness or injury (as evidenced by a Doctor's certificate as required by the Company) and is not entitled to any payment from the Company during such pay period, shall, subject to the provisions of part (v) below, not be counted and the benefit period shall continue for the remainder of its unexpired term commencing with the pay period in which the employee returns to work or would have returned to work following such sickness or injury, provided further that such employee remains in the employment of the Company. The day's pay to which an employee is entitled under the provisions of Clause 12.01 will not be considered as a payment of the Company for purposes of this paragraph.
- (e) Any pay period during which, either in whole or in part, an employee is absent from work for any reason other than sickness or injury, shall be considered as part of the consecutive period of time.
- (f) Any period during which an employee is absent from work due to sickness or injury shall be considered as part of the consecutive period of time, where such employee had been absent from work for the entire twelve (12) months immediately preceding the time that he/she would have been displaced from the job as specified in 18.03 (b).

Training

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

In the event that the Company determines that the eligible employee requires training and a training opportunity as specified above does not exist within his/her department, the Company will, subject to operating requirements and the availability of training opportunities, train or re-familiarize him/her for a job in another department which would potentially provide the job classification level which he/she held prior to his/her displacement. If the employee accepts such training in another department, he/she will be entitled to exercise his/her departmental service record for the purposes of applying for permanent vacancy on such job. If he/she is appointed to the job in the new department, he/she will be transferred by the Company in accordance with the provisions of Clause 7.14(a) of the Basic Agreement. Any such training shall be carried out in accordance with the provisions of Section 8 of the Basic Agreement.

For the purposes of this Clause 18.07, the provisions of Clause 8.03 of the Basic Agreement

shall not apply during the period that an employee is entitled to a benefit under Clause 18.05 hereto.

Administration

- 18.08** (a) The administration of the provisions of Section 18 is placed within the mandate of the Senior Level Committee as referred to in Item 4 of the Basic Agreement.
- (b) The Company will provide, as soon as practicable, the estimated time frame for the implementation of any technological change and will advise as to the number of employees potentially affected. Such estimates will be refined by the Company from time to time as information becomes available.

**SECTION 19
TERMINATION**

19.01 This agreement shall be in effect until 12:01 a.m. September 1, 2018 and shall thereafter continue for a further period of one (1) year unless during the one hundred and ten (110) day period immediately preceding the expiration date, either party shall give written notice to the other that it desires revision or termination of this agreement at its expiration date. Where notice of revision is given, negotiations shall commence during the ninety (90) day period immediately preceding the expiration date.

Signed this 17th Day of March, 2014:

For the Company:

J.D. Garraux

J.L. Koch

C.J. Shuster

For the Union:

W.A. Ferguson

M. Talbot

R.C. Graham

T.R. McKinnon

F. Arcuri

APPENDIX 'B'
STANDARD HOURLY WAGE SCALE

Job Class	Appendix "B" [August 30, 2013]
1	24.410
2	24.717
3	25.024
4	25.331
5	25.638
6	25.945
7	26.252
8	26.559
9	26.866
10	27.173
11	27.480
12	27.787
13	28.094
14	28.401
15	28.708
16	29.015
17	29.332
18	29.629
19	29.936
20	30.243
21	30.550
22	30.857
23	31.164
24	31.471
25	31.778
26	32.085
27	32.392
28	32.699

Appendix B-1 Ratification Bonus

1. A ratification bonus of \$2,500 will be paid to each employee who works for at least thirty (30) days following his/her return to active work on or after the Effective Date of the 2013 Basic Agreement.
2. In addition, those employees who have executed their retirement documents, and as of the Effective date of the 2013 Basic Agreement, are on pre-retirement vacation entitlement (including regular vacation, banked vacation and the fifteen (15) week extended vacation), shall be entitled to the \$2,500 ratification bonus.
3. This bonus shall not be used in the calculation of any other pay (including pension), allowance or benefit and shall be subject to all required tax withholdings and union dues. The Ratification Bonus may be deferred in part or its entirety to the District 6 Savings Plan.
4. An employee who is off work and receiving Weekly Indemnity or WSIB benefits for less than two years as of the eligibility date for the Ratification Bonus as set forth above, and who returns to active work within one year of the eligibility date for such Ratification Bonus, shall be eligible for such bonus.

Appendix B-2 Lump Sum Bonuses

A Lump Sum Bonus of \$500 shall be payable to each employee actively at work on September 1, 2014. Such Lump Sum Bonus shall be paid by October 15, 2014.

A Lump Sum Bonus of \$500 shall be payable to each employee actively at work on September 1, 2015. Such Lump Sum Bonus shall be paid by October 15, 2015.

A Lump Sum Bonus of \$500 shall be payable to each employee actively at work on September 1, 2016. Such Lump Sum Bonus shall be paid by October 15, 2016.

A Lump Sum Bonus of \$500 shall be payable to each employee actively at work on September 1, 2017. Such Lump Sum Bonus shall be paid by October 15, 2017.

An employee who is off work and receiving Weekly Indemnity or WSIB benefits for less than two years as of the eligibility date for the Lump Sum Bonuses as set forth above, and who returns to active work within one year of the eligibility date for such Lump Sum Bonuses, shall be eligible for such Lump Sum Bonus.

ITEM 1

LETTER OF AGREEMENT RE: JOINT EMPLOYEE ASSISTANCE PROGRAM

The parties recognize that our organization's most important asset is People, and that human problems have the potential of being successfully addressed, provided that they are identified in their early stages and an individual effort is made to obtain assistance from an appropriate resource.

Whether alcoholism, drug abuse, physical illness, mental or emotional stress, or other concerns, these are human problems which have a profound impact upon the lives of those people affected and their families.

The Union and the Company wish to foster and maintain an attitude of assistance towards such problems when encountered by an employee, retired employee or member of the immediate family.

Therefore, the parties agree to establish and maintain an employee assistance program designed to:

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

The parties agree to form a Joint E.A.P. Committee, with balanced representation, and with the authority to implement, administer and monitor the E.A.P. within the parameters agreed to by the parties.

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

The Company maintains the right to establish standards of performance and to administer and exercise its established disciplinary policy distinctly from the E.A.P. The Union maintains its right to ensure the fair and equitable treatment of its members and to protect their rights in accordance with the established grievance procedure.

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

ITEM 2

LETTER OF AGREEMENT RE: STEWARD SELECTION

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

Area	Chief Stewards	Assistant Chief Stewards	Stewards
Cokemaking Operations	1		4
Ironmaking Operations	1		4
Steelmaking Operations	1	2	10
Hot Strip Mill Operations	1	2	7
Operating Services			
Plant Services	1	1	3
Industrial Mechanic Machinist	1		2
Industrial Mechanic	1		
Ironmaking		1	4
Steelmaking		1	4
Hot Strip Mill		1	2
Central Maintenance		1	2
Welder - Fabricator	1		3
Electrical	1		
Ironmaking		1	4
Steelmaking		1	4
Hot Strip Mill		1	2
Central Maintenance		1	2
Electronics	1		
Instrumentation	1	1	
Mobile Equipment Tech.	1		3
Utilities	1		
Division 1		1	4
Division 2		2	8

Should problems of inadequate representation develop during the term of this Agreement, the Company is prepared to discuss this matter with the Union with a view to arriving at an acceptable solution.

ITEM 3

LETTER OF AGREEMENT RE: PERSONS HIRED FOR VACATION RELIEF

Notwithstanding the provisions of Section 7 of the Basic Agreement, persons hired for vacation relief will not acquire service and may be terminated by the Company at any time. It is agreed that the termination of a person hired for vacation relief will not be subject to the grievance and arbitration procedures.

In addition, persons hired for vacation relief will not be considered employees for purposes of contributions to the Group RRSP, (referred to in Item 40), will not be eligible to participate in the Group Insurance Program or be entitled to the Floating Holiday unless such persons are laid off U. S. Steel Canada, Inc. employees with recall rights.

If a laid off employee with recall rights is hired under this provision and, at the end of the term, accepts full time employment at Lake Erie Works, the following applies:

- a. if such employee is already a participating member in the U. S. Steel Canada, Inc. Retirement Plan for Local 8782 Members at Lake Erie Works, the Company will award pension credits for complete calendar months worked during the vacation relief period.
- b. if such employee is subject to the provisions of the Group RRSP (referred to in Item 40), the Company will award Credited Service for complete calendar months worked during the vacation relief period. Additionally, the hours worked for complete calendar months during the vacation relief period will be considered hours worked for purposes of the Group RRSP (referred to in Item 40).

It is understood that persons hired for vacation relief will be limited to the period April 15 to October 15 unless mutually agreed to between the Parties.

ITEM 4

LETTER OF AGREEMENT 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 Basic Agreement. To this end, the Parties have agreed to establish the Senior Level Committee as outlined in Section 1 of the Basic 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:

- i) WORKPLACE REORGANIZATION
- ii) TRAINING
- iii) CONTRACTING OUT
- iv) TECHNOLOGICAL CHANGE
- v) WORKFORCE SCHEDULING
- vi) CONTINUOUS BUSINESS IMPROVEMENT
- vii) WORKFORCE REVITALIZATION AND THE BUSINESS PLANNING PROCESS
- viii) 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.

i) 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 Cooperative Wage Study Program and related procedures as referred to in Section 6 of the Basic 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 C.W.S. Committees. The C.W.S. Committees will describe and classify any new or changed duties resulting from the workplace reorganization initiative. The C.W.S. Committee shall submit their findings to the Senior Level Committee for final approval and resolution.

ii) TRAINING

The parties agree to jointly develop a Lake Erie Works 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 Plant wide 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:

1. Needs Analysis:
The assessment and determination of training needs toward the development and implementation of Lake Erie Works Training Programmes.
2. Training Design:
Determination as to the design of the training programme, who will receive training, scheduling, and the selection of instructors.
3. 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.
4. 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.
5. 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.

iii) 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.

To give effect to this commitment the Parties have agreed to the co-operative administration of the provisions of Item 20 of the Basic Agreement.

iv) TECHNOLOGICAL CHANGE

The Parties have recognized the potential negative impact of technological change on the employees of Lake Erie Works within the provisions of the Technological Change Section 18 of the Basic Agreement. 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.

v) 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:

1. (A) The development of any new scheduling agreement between the parties, as provided in 5.03 (c) of the Basic Agreement.
- (B) 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.
- (C) Unresolved departmental issues pertaining to yearly vacation scheduling, statutory holiday scheduling and changes in the hours of work.

vi) 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 affect 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 (i) and Contracting Out (iii).

vii) WORKFORCE REVITALIZATION AND THE BUSINESS PLANNING PROCESS

1. Commitment of the Parties

The parties are committed to:

- (A) The establishment and preservation of a highly skilled and efficient bargaining unit workforce; and
- (B) The productive utilization of bargaining unit employees in accordance with the provisions of Item 20 – Contracting Out and Continuous Business Improvement (vi) above.

2. 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:

- (A) 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.
- (B) Assessment of both the current and anticipated rate of attrition over the next five (5) years.
- (C) Examination of any issues/concerns related to those items identified within the provisions of Item 20 – Contracting Out.
- (D) 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.

viii) 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 U. S. Steel Canada, Inc. Board of Directors for its Annual Capital Expenditure Plan at Lake Erie Works, 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 Lake Erie Works 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 Lake Erie Works Annual Expenditure Plan, it shall have an opportunity to communicate its views to the U. S. Steel Canada Inc. Board of Directors prior to the Board making any decision on the Lake Erie Works Annual Capital Expenditure Plan.

Discussion and information related to Capital Expenditure Decisions is to remain confidential.

ITEM 5

**LETTER OF AGREEMENT
RE: STATUTORY HOLIDAY SCHEDULING**

The Company will post or otherwise make known the names of employees who are required to work on any Statutory Holiday by 2:00 p.m. Tuesday of the week preceding the calendar week in which the Statutory Holiday is observed. It is understood that Clause 5.05 will not apply with respect to the provisions of this Letter of Agreement.

ITEM 6

**LETTER OF AGREEMENT
RE: 12 HOUR SHIFT SCHEDULES**

Implementation and Application

This letter sets out the conditions under which the parties agree to implement the twelve (12) Hour Shift Schedules, designated and attached hereto as follows:

Appendix "1" -	"T" Schedule
Appendix "2" -	"H" Schedule
Appendix "3" -	"I" Schedule
Appendix "4" -	"M" Schedule
Appendix "5" -	"P" Schedule

It is understood that the Company may implement a schedule which is not identical to the applicable schedule set out in the attached Appendices; however, such schedule will be similar in pattern to the applicable attached schedule and this letter will apply to such similar schedule. The

Union Senior Level Committee representative will be afforded the opportunity to have input and provide assistance in the development of such similar schedule.

It is understood and agreed that this agreement covers only those employees who are working a "designated" schedule as attached in the Appendices after having reached an agreement between the Company and the Union and signed a letter of intent outlining the implementation of such schedule(s). The provisions of the Basic Agreement will apply to employees who work eight (8) hour shifts.

In view of the potential impact on employees and operations, any such "designated" schedule will be subject to continuous monitoring by the Company and the Union. Representatives of the Company and the Union will meet from time to time at the request of either party, for the purpose of reviewing the experience relative to the operation of such "designated" schedule(s) and more specifically to discuss any change in conditions in areas such as: safety and health, absenteeism, operational capability, legislative prohibition, etc., with the view to determining whether such "designated" schedule shall be continued or terminated. The Company or the Union may, upon giving thirty (30) days written notice to the other party, terminate the application of the "designated" schedule(s) if there is significant deterioration in any of the above-mentioned conditions.

In the event the "designated" schedule(s) is terminated in accordance with the provisions of this Letter, the parties agree that a schedule that complies with the provisions of the Basic Agreement or a schedule that is agreed to by the parties, will be implemented.

It is agreed and understood that the implementation or termination of such "designated" schedule(s) by the Union shall not result in the payment of overtime hours or any other premiums which would otherwise be applicable.

It is further understood that following approval by the Company, the Union will conduct a vote by secret ballot, of all the employees in the department requesting such a "designated" schedule, to determine their true wishes in respect to the application of this agreement and provided that at least seventy (70) percent of the employees vote in favour of the "designated" schedule, it will be instituted for a six (6) month trial period, or such other trial period that the Company and the Union may mutually agree upon. At the conclusion of the trial period, the Union will conduct a second vote, by secret ballot, to determine if such "designated" schedule should be continued or terminated. Coincident with this vote, the Company will make known its intention with respect to the continuation of such designated schedule.

Amendments to the Basic Agreement

The Company and the Union agree that the following shall constitute amendments to the Basic Agreement in order to give effect to the designated schedules as provided herein where and when it applies to an employee.

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

prevail.

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

5.02 Is amended to read:

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

5.06 Is amended by adding the following:

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

5.08 Is amended to read as follows:

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

- (a) Time worked in excess of eight (8) or twelve (12) hours in a work day;
- (b) Time worked in excess of the designated hour period as shown in the applicable schedule attached hereto in each period consisting of the applicable consecutive bi-weekly pay periods, as designated by the Company;
- (c) Time worked before his/her regular starting time when an employee is called in before the regular starting time of any shift of eight (8) or twelve (12) hours;
- (d) Time worked after the regular quitting time of any shift of eight (8) or twelve (12) hours;
- (e) Time worked if an employee is notified that he/she is required to work on his/her scheduled day off, provided however that this provision shall not apply in the case where an employee's schedule is changed to another shift or to a new working schedule which provides alternative day(s) off and such change in schedule is in accordance with the provisions of clause 5.05.

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

- (f) (i) The first eight (8) hours worked on the designated downturn on the 168 hours per week "T" schedule.
- (ii) The last four (4) hours worked on the Thursday shift on the eighty-four (84) hours per week "T" schedule.

5.16 Is amended to read as follows:

"Turn Premiums will be paid as follows:

- (a) (1) For hours worked by an employee on his/her regularly scheduled day turn from 4:00 p.m. until 8:00 p.m. -ninety (90) cents.
- (2) For hours worked by an employee on his/her regularly scheduled night turn from 8:00 p.m. until 12:00 midnight - ninety (90) cents.
- (3) For hours worked by an employee on his/her regularly scheduled night turn from 12:00 midnight until 8:00 a.m. - ninety-five (95) cents.
- (b) The appropriate turn premiums under (a) above shall be paid to an employee for all overtime hours worked during a day or night turn as defined herein."

5.19 Is amended by adding the following:

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

11.04 (d) Is amended to read as follows:

"An employee may elect to schedule up to two (2) weeks of his/her annual vacation entitlement in single days, in the following manner:

- (a) the scheduling of one (1) week of annual vacation in single days shall not be less than 36 or more than 48 hours.
- (b) the scheduling of two (2) weeks of annual vacation in single days shall not be less than 72 or more than 96 hours."

12.03 Is amended by adding the following:

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

16.01 Is amended by adding:

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

16.02 Is amended to read:

"An employee shall be permitted time off from work up to a maximum of four (4) days for the purposes of arranging and attending the funeral of a member of his/her immediate family or, where he/she does not attend the funeral, one (1) day. Where any of such days fall on a scheduled work day for the employee, he/she shall be paid a bereavement allowance for each day equivalent to eight (8) or twelve (12) times the hourly rate of the occupation to which he/she would normally be assigned. Immediate family shall mean spouse, son, daughter, mother, father, sister, brother, grandmother, grandfather, grandchildren, son-in-law, daughter-in-law, mother-in-law, father-in-law, sister-in-law, or brother-in-law, or, a common-law spouse and mother, father, sister, brother or children of such common-law spouse provided the employee has cohabited with such spouse for three (3) or more years."

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

Overtime Meal Allowance

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

Such employee may alternatively elect to be provided with a "vending card" which will be pre-loaded with the same dollar amount for use in the vending machines on the Plant premises. The Company will meet with the Union at their request to review any problems relating to the operation of this item with a view to finding acceptable solutions.

Short Notice Coverage

The Company and Union mutually recognize the necessity to maintain continuity of operations as it relates to the implementation or continuation of such designated schedules. Where problems arise from the filling of short notice vacancies caused by absences, the Company and Union will meet as early as possible with a view to arriving at a mutually agreed to solution.

C.W.S. Program

It is understood and agreed that the implementation of any of these schedules will not in itself result in any amendment or modification to the C.W.S. program or cause the Union or any employee to claim that an existing job description and classification has changed.

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

APPENDIX “1” (cont’d)

“T” SCHEDULE – 84 HOURS PER WEEK

	S	M	T	W	T	F	S	S	M	T	W	T	F	S
8 am to 8 pm	A	-	-	A	A	-	-	-	A	A	-	-	A	A
8 pm to 8 am	-	B	B	-	-	B	B	B	-	-	B	B	-	-
Days Off	B	A	A	B	B	A	A	A	B	B	A	A	B	B

NOTE: Overtime rates will be paid to an employee for the last four (4) hours worked on the shift starting at 8:00 a.m. on Thursday

For all the above schedules the designated hour period = 160 hours consisting of two (2) consecutive bi-weekly pay periods

APPENDIX “2”

“H” SCHEDULE – ROLLING MILL – 12 HOUR SCHEDULE

	Days				Days		
	8 am to 8 pm	Nights 8 pm to 8 am	Days Off		8 am to 8 pm	Nights 8 pm to 8 am	Days Off
S	A	B	C	S	C	B	A
M	A	B	C	M	A	B	C
T	C	A	B	T	A	B	C
W	C	A	B	W	-	-	C A B
T	C	A	B	T	A	C	B
F	C	B	A	F	A	C	B
S	-	-	A B C	S	-	-	B A C
S	A	C	B	S	B	C	A
M	B	C	A	M	B	C	A
T	B	C	A	T	-	-	A B C
W	-	-	A B C	W	A	B	C
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S	-	-	C A B	S	-	-	B A C
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M	C	A	B	M	C	A	B
T	-	-	B A C	T	C	A	B
W	B	C	A	W	-	-	B A C
T	B	C	A	T	C	B	A
F	B	A	C	F	C	B	A
S	-	-	C A B	S	-	-	A B C

NOTE: Designated hour period = 240 hours consisting of three (3) consecutive bi-weekly pay periods.

APPENDIX "3"

"T" SCHEDULE – HOT STRIP FINISHING – 12 HOUR SCHEDULE

	Days			Nights				Days			Nights																																																																																																																																																																																						
	8 am to 8 pm	8 pm to 8 am	Days Off	8 am to 8 pm	8 pm to 8 am	Days Off		8 am to 8 pm	8 pm to 8 am	Days Off	8 am to 8 pm	8 pm to 8 am	Days Off																																																																																																																																																																																				
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NOTE: Designated hour period = 240 hours consisting of three (3) consecutive bi-weekly pay periods.

APPENDIX "4"

"M" SCHEDULE – 136 HOURS PER WEEK

	<u>S</u>	<u>M</u>	<u>T</u>	<u>W</u>	<u>T</u>	<u>F</u>	<u>S</u>	<u>S</u>	<u>M</u>	<u>T</u>	<u>W</u>	<u>T</u>	<u>F</u>	<u>S</u>	<u>S</u>	<u>M</u>	<u>T</u>	<u>W</u>	<u>T</u>	<u>F</u>	<u>S</u>								
A	-	D	D	-	N	N	-	-	-	-	D	D	D	-	-	N	N	N	-	-	-	d	d	d	d	d	-	-	
B	-	-	-	D	D	D	-	-	N	N	N	-	-	-	-	d	d	d	d	d	-	-	-	-	D	D	-	N	N
C	-	N	N	N	-	-	-	d	d	d	d	d	-	-	-	D	D	-	N	N	-	-	-	-	D	D	D	-	
D	d	d	d	d	d	-	-	-	D	D	-	N	N	-	-	-	-	D	D	D	-	-	N	N	N	-	-	-	

D = 8:00 am to 8:00 pm

N = 8:00 pm to 8:00 am

dddd = 8:00 am to 4:00 pm

NOTE: Designated hour period = 160 hours consisting of two (2) consecutive bi-weekly pay periods

APPENDIX "5"

"P" SCHEDULE

	S	M	T	W	T	F	S
Week 1							
8 am to 8 pm	-	-	A	A	A	a	-
8 am to 8 pm	-	-	B	B	B	-	-
Week 2							
8 am to 8 pm	-	-	A	A	A	-	-
8 am to 8 pm	-	-	B	B	B	b	-

(a, b) Denotes 8 hour shift (8 am to 4 pm) which may, due to operating conditions, be scheduled on Monday.

Note: Designated hour period = 80 hours consisting of two (2) consecutive bi-weekly pay periods.

ITEM 7

LETTER OF AGREEMENT RE: OVERTIME MEAL ALLOWANCE

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

Such employee may alternatively elect to be provided with a “vending card” which will be pre-loaded with the same dollar amount for his/her own use in the vending machines on the Plant premises. The Company will meet with the Union at their request to review any problems relating to the operation of this item with a view to finding acceptable solutions.

ITEM 8

LETTER OF AGREEMENT RE: SECTION 8 TRAINING

The Company and Union agree to the following with regard to the application of the provisions of Section 8 Training:

1. An employee hired or transferred into a department may be trained on the base job in a line of sequence, if applicable, within a divisional unit within the department prior to the training of a more senior employee within another divisional unit within the department who has filed a request for training on such base job. However, it is understood that the more senior employee will be trained and appointed to any posted vacancy on such base job prior to the appointment of the more junior employee(s) referred to above.

An employee who requests training under Section 8 on the base job in another divisional unit and who subsequently withdraws such training request or fails to apply for a posted vacancy as outlined above will not be eligible to reapply for that same training for a period of one year from the date of the withdrawal or the date on which the notice of job posting expired.

2. It is understood that an employee trained on a job in accordance with 8.01 will not be allowed to exercise the provisions of Clause 7.11 (a) (ii) on such job, for a period of one (1) year from the date on which he/she becomes qualified on such job.
3. It is understood that if the only applicants for a 7.08 or 7.11 (b) vacancy are those deemed to have applied under Section 8 and all such applicants indicate their preference not to be assigned, the employee junior in service will be appointed to the vacancy.

4. Issues which may arise as a result of the application of these provisions will be raised and dealt with by the Manager of the department or delegate, and the Chief Steward of the department or delegate. If resolution cannot be obtained within the department, then any such issue may be referred to the Senior Level Committee. It is understood that the Manager and Chief Steward or their respective delegates will be the departmental representatives to the Senior Level Committee and may be required to attend at the Senior Level Committee meetings to discuss any new or unresolved issues pertaining to these training provisions.

ITEM 9

LETTER OF AGREEMENT RE: DISCRIMINATORY HARASSMENT

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

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

No individual should suffer from or be exposed to harassment at work, based upon that person's race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, 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.

ITEM 10

LETTER OF AGREEMENT RE: PERMANENT LAYOFFS & CLOSURE OF A DEPARTMENT

1. General Intent

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

2. Notice of Permanent Layoffs or Closure of a Department

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

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

3. Adjustment Committee Structure

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

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

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

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

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

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

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

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

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

Nothing herein precludes an employee from requesting a leave of absence in accordance with Clause 15.01(a) of the Basic Agreement.

5. Funding of Adjustment Programs

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

6. Early Retirement

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

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

7. Severance

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

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

8. Deferred Pension

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

9. Recall

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

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

10. Preferential Hiring

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

11. Supplementary Unemployment Benefit

To be amended as follows:

The Company will establish a \$2 million SUB fund accrual upon the effective date of this Agreement. Thereafter, should the funding be drawn down to a \$1 million balance, the Company will refresh the accrual back to the \$2 million level. The \$0.10/hour funding mechanism is eliminated. The weekly benefit payable under the plan will be increased from \$150 to \$200. In all other respects, however, the provisions of the SUB plan remain in effect.

ITEM 11

LETTER OF AGREEMENT RE: HEALTH AND SAFETY

(A) Guidelines for Meetings Between the Department Manager and the Department Chief Area Health and Safety Representative.

In an effort to enhance the Joint Health & Safety Program at Lake Erie Works, through the internal responsibility system, the department Manager and the Chief Health & Safety representative, or delegates, will meet monthly in order to address issues within the department. Issues should be addressed within the department prior to being discussed by the Joint Health and Safety Committee. They may review and discuss (but are not limited to) such matters as outstanding safety log book issues, outstanding items from monthly and quarterly tours and the status, review and updating of S.J.P.'s within the department.

Meeting minutes are to be developed and jointly signed by the Manager and Chief Health & Safety Representative, or delegates, within one week of the meeting. The minutes are to be distributed to those persons attending the meeting, the Union co-chair of the Joint Health and Safety Committee and the Manager -Health & Safety.

The Area Manager and the Department Chief Area Health and Safety Representative will determine the participants at the meeting including Senior Supervision and the Health and Safety Representatives from the department.

Time spent by each of the Union Health and Safety Representatives shall be deemed to be work time for which they will be paid at their regular or premium rate as may apply while in attendance at the above mentioned meetings.

(B) Chief Health and Safety Representative Meetings

The Union members of the Joint Health and Safety Committee may meet with the departmental Chief Health and Safety Representatives for a total not to exceed sixteen (16) hours per calendar year to discuss health and safety matters relating to the various departments. The meetings will be convened at the Lake Erie Works plant and the parties shall strive to meet on at least a quarterly basis. The Safety Manager may ask for a portion of each meeting time to discuss any safety related topic. Employees on shift at the time of the meeting will be paid at their regular rate of pay.

(C) Workplace Safety and Insurance Board

1. The Company recognizes a Workplace Safety and Insurance Board Committee consisting of two (2) members, one of whom will be designated the Workplace Safety and Insurance Board Committee Chairperson. The Union will notify the Company of the names of members of the Committee.
2. The Workplace Safety and Insurance Board Committee will receive copies of all "Employer's Report of Accidental Injury or Industrial Disease" forms, including any attached documents. The earnings information provided to the Workplace Safety and Insurance Board will also be provided to the Committee, for lost time accident claims, upon receipt of a signed waiver from the Union President, or the employee duly authorizing the Company to release the information.
3. The Workplace Safety and Insurance Board Committee will be notified, and a member will be permitted to attend meetings with representatives of the Workplace Safety and Insurance Board and the Company related to rehabilitation, return to work, and workplace assessments.
4. A member of the Workplace Safety and Insurance Board Committee may, upon request, meet with the Manager – Health & Safety for up to eight (8) hours each quarterly period to discuss Workplace Safety and Insurance Board appeals.
5. Time spent by a member of the Workplace Safety and Insurance Board 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 referred to in 3. and 4. above.

(D) New Facility Inspections

Any Health and Safety concerns which may arise as a direct result of a major construction activity, or the installation of any new equipment, will be discussed between the Chief Area Health and Safety Representative and the Manager of the department in which the activity is taking place. If required, the Chief Health and Safety Representative and the Manager will

tour the construction area, or inspect the new equipment. It is understood that this provision will only apply after the assignment of Lake Erie Works Bargaining Unit employees to the new facility.

(E) Hoist Failure Investigations

The Union Co-chairperson of the Joint Health and Safety Committee and Union members of the Regulation 51 Committee will be supplied with copies of minutes of all Hoist Failure Committee Investigations within one (1) week of the incident. All follow up reports generated as a result of the original report will also be provided.

(F) Safe Job Procedures

The department will provide the Chief Area Health and Safety Representative access to all existing Safe Job Procedures, and copies of all new or revised Safe Job Procedures.

An area Health & Safety representative familiar with the job will be utilized in the development and preparation of new S.J.P.'s as well as revisions to existing J.S.A.'s S.J.P.'s.

(G) Day of Mourning

The Company will recognize April 28th as the day of mourning. The Co-chairpersons of the Joint Health and Safety Committee will issue a joint proclamation in recognition of the day and the Company flag will be lowered.

The Health and Safety Committee shall be afforded the opportunity to attend Day of Mourning ceremonies in the community. The time for these ceremonies shall not exceed eight (8) hours per member annually.

(H) Office Provisions

The Company will provide the Union Co-chairperson of the Joint Health and Safety Committee with an office, a telephone, one (1) filing cabinet, one (1) computer with internet and email access and one (1) cellular phone for Company use only. The Company will provide each Chief Area Health and Safety Representative with one (1) filing cabinet and access to a telephone.

(I) Company Issued Work Clothing

The Company agrees to supply and launder Company issued work clothing where the Joint Health and Safety Committee mutually agree they are necessary.

(J) Chief Health and Safety Representatives

The Chief Health and Safety Representative and the Department Manager will discuss the appropriate amount of time, as well as the appropriate scheduling of such time, for the Chief Representative to attend to matters of Health and Safety within his/her Department. The Manager will not unreasonably withhold approval of the required time.

Any unresolved disputes with respect to this provision shall be referred to the Joint Health and Safety Committee.

The department Manager will provide the Chief Health and Safety Representative a location for the purpose of writing reports.

(K) Code of Practice

The Company and the Union have agreed to establish and maintain a Code of Practice for the purpose of documenting matters of policy and conduct relative to the operation of the Health and Safety Program. It is further agreed that although this Code is subject to continuous review and amendment by mutual agreement, it is not subject to the grievance and arbitration procedure.

(L) Technological Change/Reorganization

The department Manager and the Chief Department Health and Safety Representative, or his/her delegate will meet, as required, to discuss any new technological change or work reorganization initiatives which may be taking place within their department. It is understood that the Chief Representative or his/her delegate may make recommendations to the Manager on matters of health and safety relative to such technological change or work restructuring initiatives.

ITEM 12

LETTER OF AGREEMENT

RE: PROGRAM FOR THE REHABILITATION OF DISABLED EMPLOYEES

The Company and the Union agree to the establishment of a Program for the Rehabilitation of Disabled Employees. The objective of this Program is to provide meaningful work opportunities to assist in the rehabilitation of Lake Erie Works employees who are considered medically to be temporarily or permanently disabled, as a result of occupational or non-occupational injury or illness.

The primary objective is to return employees to the work function they held prior to their injury or

illness with acceptable restrictions within the regular work scope. If this cannot be accomplished within an employee's own department, the employee may be assigned to another available work function in his/her department or an available work function in another department.

For the purpose of this letter, employees will be deemed "temporarily disabled" if they have been medically assessed as having an "impairment" as defined in the Workplace Safety and Insurance Board Act; or if they have suffered a disabling non-occupational injury or illness and have subsequently been medically assessed as able to return to their previous occupation, or may be able to do so after rehabilitation initiatives.

For the purpose of this letter, employees will be deemed "permanently disabled" if they have been medically assessed as having a "permanent impairment" as defined in the Workplace Safety and Insurance Board Act.

In order to give effect to the foregoing, the Parties agree to establish the Accommodation Committee. This committee shall consist of a Co-chairperson from the Union, a Co-chairperson from Human Resources, the Manager and the Chief Steward from the employees' department, or their delegates. The Accommodation Committee shall meet when it is necessary to assess the requirements to place a disabled employee into a meaningful work opportunity.

Employees requiring short term accommodation (up to thirty days) can return to meaningful work opportunities within their department with the agreement of Supervision. The Company Disability Management Representative will provide the Union with notification of such accommodations on a regular basis.

Accommodations that are expected to be longer than thirty days or those accommodations that have extended beyond thirty days, requires a meeting of the "Accommodation Committee". The Department Supervisor or the disabled employee should notify the Co-Chairperson of the "Committee" to arrange for the meeting.

It is understood that disabled employees will be considered for accommodation in the following order: modifications to the work functions performed by the employee prior to the injury or illness; other meaningful work within the employee's own department; meaningful work in another department.

Employees who are returning to work on a Workplace Safety and Insurance Board sponsored work program, will meet with the Union WSIB Committee Chairperson or delegate, the Company Disability Management Representative and the Workplace Safety and Insurance Board representative prior to a return to work. Where it is necessary to accommodate an employee on work other than their regular occupation, the Accommodation Committee will be involved to review such placement.

The Company and the Union agree that this article is not structured to facilitate the placement of

employees at the time of initial injury. The Company and the Union agree that this article is to facilitate disabled employees after maximum medical recovery has occurred and any physical and/or psychological restrictions have been identified by the medical profession.

Employees who are to be assigned work as a result of this Program shall produce medical documentation preferably from a specialist in the field of disability being claimed, identifying the specific restrictions or limitations and the abilities or tasks/functions which the employee can perform. The period of time for which the employee requires these accommodations is also to be provided. The medical information is to be provided the Company Medical Officer for review. He will then provide input to the Accommodation Committee (via the Company Disability Management representative). Employees on the Program may be required to provide up to date medical documentation in support of their ongoing medical condition and may be required to undergo periodic medical review.

It is further agreed that an employee under consideration for assignment within the Program for the Rehabilitation of Disabled Employees is not eligible to displace any employee from any occupation. If a disabled employee is provided training on a job in an established line of sequence, he/she will not be eligible to apply for any permanent or temporary posted vacancies on such job while other more senior employees have applied for and are awaiting training on such job.

Pregnancy Accommodation

The Company and Union agree that any employee, during her pregnancy, who believes the health of her unborn child may be affected by her present job assignment, can utilize the Disabled Employees Rehabilitation Program.

ITEM 13

LETTER OF AGREEMENT RE: VACATION PAY

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

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

Calendar Year	Calendar Quarter Year	Period of Time
2013	3	June 23,2013 to September 28, 2013
	4	September 29, 2013 to December 21, 2013

2014	1	December 22, 2013 to March 29, 2014
	2	March 30, 2014 to June 21, 2014
	3	June 22, 2014 to September 27, 2014
	4	September 28, 2014 to December 20, 2014
2015	1	December 21, 2014 to March 28, 2015
	2	March 29, 2015 to June 20, 2015
	3	June 21, 2015 to September 26, 2015
	4	September 27, 2015 to December 19, 2015
2016	1	December 20, 2015 to March 26, 2016
	2	March 27, 2016 to June 18, 2016
	3	June 19, 2016 to September 24, 2016
	4	September 25, 2016 to December 17, 2016
2017	1	December 18, 2016 to March 25, 2017
	2	March 26, 2017 to June 17, 2017
	3	June 18, 2017 to September 23, 2017
	4	September 24, 2017 to December 16, 2017
2018	1	December 17, 2017 to March 24, 2018
	2	March 25, 2018 to June 30, 2018
	3	July 1, 2018 to September 22, 2018

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

Vacation Year	Period of Time
2014	June 23, 2013 to June 21, 2014
2015	June 22, 2014 to June 20, 2015
2016	June 21, 2015 to June 18, 2016
2017	June 19, 2016 to June 17, 2017
2018	June 2017, 2017 to June 30, 2018
2019	July 1, 2018 to June 30, 2019

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

ITEM 14

LETTER OF AGREEMENT RE: COST-OF-LIVING ALLOWANCE

1. The Consumer Price Index (CPI) Base will be updated to a 2002 Base (2002 = 100 Base) and will be automatically updated for any changes Statistics Canada may make in regards to a new time base period and will be used for all COLA calculation purposes. The purpose of COLA is to make quarterly lump-sum payments to employees if cumulative inflation, as measured over the life of the Basic Labor Agreement exceeds three percent (3%) per year.
2. COLA will be paid on a lump-sum basis for all hours worked in full calendar weeks in the applicable quarter. Hours not worked even though compensated in accordance with the Agreement shall not be considered to be hours worked for purposes of COLA.
3. The CPI for the Review Month will be compared to the CPI Threshold for the covered period (as found in the table below), which represents what the CPI would be if total inflation during the term of the 2013 Basic Labor Agreement had averaged three percent (3%) per year. If the actual CPI for the Review Month is higher than the CPI Threshold for the Covered Period, for each 0.30 increase above the CPI Threshold, a COLA of one (1) cent will be paid.

Covered Period	CPI Threshold * CPI for 4/1/13 x (1.03) ⁿ Where n is the number of covered years from the first calendar year of the 2013 BLA	Review Month
4/1/13 to 6/30/13	CPI for 4/1/13 x (1.03) ¹	July 2013
7/1/13 to 9/30/13	CPI for 4/1/13 x (1.03) ¹	October 2013
10/1/13 to 12/31/13	CPI for 4/1/13 x (1.03) ¹	January 2014
1/1/14 to 3/31/14	CPI for 4/1/13 x (1.03) ¹	April 2014
4/1/14 to 6/30/14	CPI for 4/1/13 x (1.03) ²	July 2014
7/1/14 to 9/30/14	CPI for 4/1/13 x (1.03) ²	October 2014
10/1/14 to 12/31/14	CPI for 4/1/13 x (1.03) ²	January 2015
1/1/15 to 3/31/15	CPI for 4/1/13 x (1.03) ²	April 2015
4/1/15 to 6/30/15	CPI for 4/1/13 x (1.03) ³	July 2015
7/1/15 to 9/30/15	CPI for 4/1/13 x (1.03) ³	October 2015
10/1/15 to 12/31/15	CPI for 4/1/13 x (1.03) ³	January 2015
1/1/16 to 3/31/16	CPI for 4/1/13 x (1.03) ³	April 2016
4/1/16 to 6/30/16	CPI for 4/1/13 x (1.03) ⁴	July 2016
7/1/16 to 9/30/16	CPI for 4/1/13 x (1.03) ⁴	October 2016
10/1/16 to 12/31/16	CPI for 4/1/13 x (1.03) ⁴	January 2017
1/1/17 to 3/31/17	CPI for 4/1/13 x (1.03) ⁴	April 2017
4/1/17 to 6/30/17	CPI for 4/1/13 x (1.03) ⁵	July 3017
7/1/17 to 9/30/17	CPI for 4/1/13 x (1.03) ⁵	October 2017
10/1/17 to 12/31/17	CPI for 4/1/13 x (1.03) ⁵	January 2018
1/1/18 to 3/31/18	CPI for 4/1/13 x (1.03) ⁵	April 2018

4/1/18 to 6/30/18	CPI for 4/1/13 x (1.03) ⁶	July 2018
7/1/18 to 9/30/18	CPI for 4/1/13 x (1.03) ⁶	October 2018

*CPI for 4/1/13 shall mean the Consumer Price Index for the month of April 2013 where 2002 = 100 Base.

ITEM 15

LETTER OF AGREEMENT

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	Paid During Month Of
September 1, 2013 to September 28, 2013	October 2013
September 29, 2013 to December 21, 2013	January 2014
December 22, 2013 to March 29, 2014	April 2014
March 30, 2014 to June 21, 2014	July 2014
June 22, 2014 to September 27, 2014	October 2014
September 28, 2014 to December 20, 2014	January 2015
December 21, 2014 to March 28, 2015	April 2015
March 29, 2015 to June 20, 2015	July 2015
June 21, 2015 to September 26, 2015	October 2015
September 27, 2015 to December 19, 2015	January 2016
December 20, 2015 to March 26, 2016	April 2016
March 27, 2016 to June 18, 2016	July 2016
June 19, 2016 to September 24, 2016	October 2016
September 25, 2016 to December 17, 2016	January 2017
December 18, 2016 to March 25, 2017	April 2017

March 26, 2017 to June 17, 2017	July 2017
June 18, 2017 to September 23, 2017	October 2017
September 24, 2017 to December 16, 2017	January 2018
December 17, 2017 to March 24, 2018	April 2018
March 25, 2018 to June 30, 2018	July 2018
July 1, 2018 to September 22, 2018	October 2018

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 Basic 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 7.02(c) of the Basic 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 Basic Agreement. If the former employee fails to return to work within the period specified in the Basic 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 President 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 Basic 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.

APPENDIX "A"

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

ITEM 16

LETTER OF AGREEMENT 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:

September 1, 2013	to	November 9, 2013
November 10, 2013	to	February 15, 2014
February 16, 2014	to	May 10, 2014
May 11, 2014	to	August 16, 2014
August 17, 2014	to	November 8, 2014
November 9, 2014	to	February 14, 2015
February 15, 2015	to	May 9, 2015
May 10, 2015	to	August 15, 2015
August 16, 2015	to	November 7, 2015
November 8, 2015	to	February 13, 2016
February 14, 2016	to	May 7, 2016
May 8, 2016	to	August 13, 2016
August 14, 2016	to	November 5, 2016
November 6, 2016	to	February 11 2017
February 12, 2017	to	May 6, 2017
May 7, 2017	to	August 12, 207
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

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

In the event that any new facility is established at Lake Erie Works during the term of this Agreement and where such facility may have occupations comparable to occupations at Hamilton 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 Lake Erie Works Fund and the date of establishing a new scale of Fund payments if applicable.

ITEM 17

LETTER OF AGREEMENT 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 Basic 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:
 - (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 7.02 (c) of the Basic 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 Basic Agreement. If the former employee fails to return to work within the period specified in the Basic 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 P.S.P. plan shall be paid for all hours worked plus vacation hours. 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 exception of vacation hours (as referred to above), even though compensated in accordance with a specific provision of the Basic 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 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 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 ((Lake Erie Quarterly EBITDA minus \$25,000,000) X 6.5% X 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 U. S. Steel business units. Where Lake Erie Works production is shipped to other U. S. Steel 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.

d) 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.

e) 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 United States Steel Corporation's quarterly or annual financial statements.
7. As soon as practicable following the release of United States Steel Corporation'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 Steelworkers' District Six Savings Plan.

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.

ITEM 18

LETTER OF AGREEMENT RE: ABSENCE FOR UNION BUSINESS

An employee requesting time off for Union business will advise his/her foreman or delegate as soon as he/she becomes aware of such intended absence.

The Union will confirm his/her request by notifying the Human Resources Department, on the forms provided, by Tuesday of the week preceding the week in which the absence is to occur.

Should the circumstances necessitate late notification, provided that the reasons for such notification are satisfactory to the Company, the employee and the Union will follow the same procedure except that the Union will also telephone the Human Resources Department to expedite the scheduling of such absence in the Department. In any event, notification must be provided not less than 3 days prior to such absences.

In order to facilitate the administration of the provisions of the Basic Agreement, the President of Local 8782 is authorized to administer the distribution of a limited number of hours of payment to employees who are absent pursuant to this Letter of Agreement. It is understood that such hours will be paid for at the employee's average hourly rate for the preceding pay period and that the number of hours paid for under this provision shall not exceed a total of five hundred and ten (510) hours in any calendar month for all employees and the hours may be cumulative during the term of this agreement. Only those employees who were authorized in writing at the time of their book-off by the Local Union President shall be entitled to payment. It is understood that, as a result of the provisions of Section 9 and Section 14, members of the Grievance Committee and the Safety and Health Committee shall not be eligible to receive payment under this provision.

ITEM 19

LETTER OF AGREEMENT RE: PREFERENTIAL HIRING

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

- (a) The Human Resources Department telephone number and address at each plant of the Company will be provided by the Company to each laid off employee;

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

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

- (e) he/she will be granted service for purposes of Pension, Group Insurance, Vacation Entitlement and Supplementary Unemployment Benefit Plan credits, provided such person successfully completes the normal probationary period in effect at the new Works and is a member of the U. S. Steel Canada, Inc. Retirement Plan for Local 8782 Members at Lake Erie Works.
- (f) for those employees hired on or after April 16, 2010, he/she will be granted Credited Service for purposes of Paragraph 4 of the Group RRSP (referred to in Item 40) and service for purposes of Group Insurance, Vacation Entitlement and Supplementary Unemployment Benefit Plan credits, provided such person successfully completes the normal probationary period in effect at the new Works.

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

A laid off employee who possesses recall rights and makes known his/her complaint with respect to the operation of this provision shall be afforded the opportunity to meet with a representative of the Human Resources department at the Works from which he/she was laid off to have his/her complaint investigated.

Transfer of Operations

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

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

Relocation Assistance

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

Lake Erie Works Employees

Subject to the needs of the operations and Clause 7.06, Lake Erie Works employees will be given first consideration for permanent jobs which may be required in the new facility before any persons will be hired from another Works of the Company.

ITEM 20

LETTER OF AGREEMENT RE: CONTRACTING OUT

The Company and the Union are committed to the productive utilization of bargaining unit employees so as to minimize the requirement for the contracting out of work.

The Parties have agreed to place the mandate of contracting out within the Senior Level Committee as established in Item 4. This Committee will meet once a month or as required.

BASIC CONCEPT

In determining whether work should be contracted out, the guiding principle shall be that work the bargaining unit employees can do or can be trained to do in a reasonable period of time, shall be performed by the employees.

CONTRACTING OUT NOTIFICATION

In order to give effect to the Basic Concept, the Parties have agreed to review and scrutinize information with respect to the current and any future need for contract work. In assessing this information, hereinafter referred to as "Contracting Out Notification", the committee will be obliged to consider the following:

- a) Location of the contract work as well as whether such work will be contracted out inside or

outside the plant.

- b) Type of contract work.
 - (i) service
 - (ii) maintenance
 - (iii) major rebuild
 - (iv) new construction
- c) Trades or occupations to be involved.
- d) Estimated duration of work.
- e) Anticipated utilization of Bargaining Unit forces either in conjunction with or peripheral to the contract work to be performed.
- f) Description of work.
- g) Effect on operation if work not completed in timely fashion.
- h) Economic and financial rationale.

In order to underscore their commitment to minimize the utilization of contractors, the Parties agree as follows:

- 1.
 - a) The Company will not contract out work that will result in the discharge or layoff or prevent the recall of a laid off Lake Erie Works employee.
 - b) In the event that an employee is laid off work in accordance with the provisions of the Basic Agreement, the Company will not contract out, subsequent to his/her layoff, and during his/her period of entitlement to recall, the work that such former employee previously performed, is qualified to perform or can be trained in a reasonable period of time to perform.
 - c) Any reduction in the number of bargaining unit employees at Lake Erie Works (as of July 31, 1990) as a result of attrition will not be replaced through contracting out.
- 2. The Parties' primary objective shall be to minimize contract work through the use of the bargaining unit workforce.
- 3. None of the provisions of this Item commit the Company to any capital expenditure other than as it deems necessary (e.g. buildings, machinery, mobile equipment).
- 4. In instances where the consistent practice has been to have the work performed by contractors, the Committee may review the situations and recommend change.

5. Cost considerations will be a factor in reviewing contracting out.

The Parties agree that if an issue cannot be resolved by mutual agreement, the dispute may be processed by filing a grievance in accordance with Section 9 of the Basic Agreement. Nothing herein shall preclude either party from referring a grievance to arbitration through Section 49 of the Ontario Labour Relations Act.

The Arbitrator shall have the authority to fashion a remedy, at his/her discretion, that he/she deems appropriate to the circumstances of the particular case and that is consistent with the Basic Concept and the other provisions of this Letter of Agreement and of the Basic Agreement.

Any decision rendered by such arbitrator shall bear only on the matter under consideration and shall not affect future determinations under this Item.

In all cases except emergencies, expedited arbitration shall be implemented prior to letting a binding contract. The Parties agree that, for the purpose of the above provision, "emergency" shall be defined as:

"A situation that requires immediate action to be taken to correct a serious health and safety situation, to correct an immediate environmental situation, or prevent the shutdown of an operating facility and for which qualified members of the work force are not available to provide the required skills/service within the necessary time frame".

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

ITEM 21

LETTER OF AGREEMENT RE: EMPLOYEE ABSENCES

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

It is an employee's obligation to justify such absence which, at the request of the Company, (where sickness is claimed) will require the employee to produce a doctor's certificate.

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

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

ITEM 22

LETTER OF AGREEMENT RE: TIMEKEEPING AND LATENESS

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

It is agreed that an employee who is late once in a pay period will not be penalized a fifteen (15) minute deduction if such lateness is five (5) minutes or less. For the purposes of this provision, it is understood that the exemption will apply to both a deduction initiated by the Payroll Department and a deduction that may otherwise be directed by the employee's supervisor based upon lateness on the job. An employee may suffer a deduction in pay if he/she is more than five (5) minutes late in reporting for work on the job.

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

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

ITEM 23

LETTER OF AGREEMENT RE: INTERPRETATION OF CLAUSE 7.12

In any future recall of working forces within a Department as specified in Clause 7.12 (c), the Company and the Union have agreed to give effect to the following.

In the event that a department increases working forces due to an increase in operations (hereafter referred to as "such department"), subject to Clause 7.06, an employee within any given "Company Service Block" as specified in Clause 7.12 (b), who is on temporary assignment, will be entitled to recall to "such department" in the following order:

- (1) A former employee of "such department" with departmental service who is on temporary assignment to any other department, and in the event that there is no such employee entitled to recall, then

- (2) A former employee of any other department, provided that the employee: (a) is on temporary assignment to another department in the Company, and (b) was formerly on temporary assignment to "such department" during the twelve months following his/her last displacement from his/her own department.

It is agreed and understood that the Company will endeavour to recall an employee in accordance with (2) above as soon as reasonably practicable and that there may be some delay of up to three (3) weeks in making arrangements for the transfer of such employee. It is further understood that in the event that the employee may become entitled to recall to his/her former department during such period, the Company may defer the application of (2) above pending such recall of the employee to his/her former department.

ITEM 24

LETTER OF AGREEMENT RE: INTERPRETATION OF CLAUSE 7.12

- (a) In applying the provisions of Clause 7.06(b) with respect to the assignment of an employee to a job vacancy in accordance with 7.12(a), subject to the provisions of this letter, the Company will provide the senior employee eligible for such vacancy with up to 2 weeks training, provided that the job to which such senior employee is to be assigned is a "designated job" as referred to in Clause 7.12 and as specified in (b) below and provided further that such employee has the basic knowledge necessary to absorb such training.
- (b) With respect to the application of the above provision, the agreed to list of designated jobs may be reviewed and updated if necessary, on an annual basis, at the request of either the Company or the Union.
- (c) Only an employee who has been displaced from his/her job due to a reduction in working force is eligible for such consideration.
- (d) Such eligible employee will be assigned by the Company to a job held by a junior service employee provided such junior service employee is permanently assigned to a designated job as specified above.
- (e) An employee who alleges that he/she has not been given proper consideration with respect to the application of this procedure, may file a grievance in this regard, provided that such employee will not be entitled to more than fourteen (14) days retroactive wages, if such grievance is successful, and the provisions of Clause 9.18 shall be read and construed accordingly. A grievance may not be submitted alleging that a job has been improperly omitted from the list of jobs designated by the parties. It is further understood and agreed that no other employee may file a grievance with respect to any aspect of the application of these provisions.

- (f) The procedure as described will only take effect as of the commencement of the new Basic Agreement, and will have no retroactive application. It is further understood that these provisions shall be considered in conjunction with the provisions of Clause 7.12 of the Basic Agreement.

ITEM 25

**LETTER OF AGREEMENT
RE: INTERPRETATION OF CLAUSE 7.12(a)**

It is agreed and understood that for the purposes of Clause 7.12(a)(iii) only, if the displaced employee who is to be laid off work is in a senior service block to another employee in any department and is qualified, in accordance with clause 7.06, to perform the job held by the junior service block employee, such senior employee will be assigned to such job and the junior employee will be laid off work from the Company.

ITEM 26

**LETTER OF AGREEMENT
RE: TEMPORARILY ASSIGNED EMPLOYEES**

When an employee has been assigned in accordance with Clause 7.12 of the Basic Agreement to one or more departments for a period of nine (9) consecutive months, the Company will review the circumstances surrounding his/her assignment(s). If as a result of such review it is concluded that the employee will continue to remain on assignment for an indeterminable period, the Company will transfer the employee to the department in which he/she is currently assigned and the departmental service of such employee shall be either as of the date of his/her last assignment to such department or nine (9) months, whichever is the greater. The Company will inform the employee, at the time of the transfer, of the circumstances surrounding his/her transfer.

ITEM 27

**LETTER OF AGREEMENT
RE: INTERPRETATION OF CLAUSE 7.03(a)**

The parties agree that for the purpose of recall from layoff for lack of work only, pursuant to Clause 7.03(a), the term "employee" shall apply to a former employee of the Works who has been laid off for lack of work and possesses recall entitlement as defined in the terms of the Collective Agreement.

ITEM 28

LETTER OF AGREEMENT RE: INTERPRETATION OF CLAUSE 7.02

The Company and the Union have agreed as follows:

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

ITEM 29

LETTER OF AGREEMENT RE: APPLICATION OF CLAUSE 7.16

The parties have reached the following understanding that except for unforeseen or unanticipated circumstances, it is not the intention of the Company to temporarily transfer bargaining unit employees to non-bargaining unit positions and subsequently transfer back to the bargaining unit on any regular basis during the term of the Basic Agreement.

The Company will continue to investigate and clarify any specific case of concern with respect to

the status of an employee out of the bargaining unit which is referred to the Company by the Union.

In addition, the Company will continue to ensure that, at the time that vacations are being scheduled, where it can be determined that an employee will be out of the Bargaining Unit and will take a vacation, such vacation time will not be included in the Bargaining Unit vacation schedule.

This understanding does not preclude the Company from temporarily transferring a bargaining unit employee to a non-bargaining unit position for a trial period of not longer than six months prior to a permanent transfer.

ITEM 30

LETTER OF AGREEMENT RE: EMPLOYEE PURCHASE OF WINTER COAT

An employee whose normal work assignment requires him/her to be exposed to winter weather conditions on a regular and frequent basis during the winter months as determined by Company Health and Safety, shall have a parka provided from the Company Stores at no cost to the employee. An employee requesting the replacement of a parka previously issued by the Company shall receive a replacement provided that the employee returns his/her worn parka to Stores and that the employee's current work assignment still qualifies for issuance of such parka. The returned parka shall remain property of the Company and will be disposed of appropriately.

ITEM 31

LETTER OF AGREEMENT RE: UNION ELECTIONS

The Company agrees that the Union may conduct Union elections on Company premises for the following purposes:

Election of executive officers for Local 8782

Election of the negotiating committee for Local 8782

Negotiation ratification vote

Election of Steelworkers International Officers

For such elections, the Union may establish polling stations in areas to be designated by the Company adjacent to the following:

Central Maintenance Complex Changehouse

Blast Furnace Changehouse

Coke Ovens Changehouse

Hot Strip Mill Changehouse

Hot Strip Finishing Changehouse

Mobile Equipment Repair Center Changehouse

B.O.S.C. Changehouse

Conditioning Changehouse

It is understood that should there be any abuse regarding the conducting of the aforementioned elections, this letter may be cancelled upon thirty (30) days written notice by the Company to the Union.

ITEM 32

LETTER OF AGREEMENT RE: OUTSIDE EDUCATIONAL COURSES

Tuition Reimbursement Programme

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

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

Government Training Assistance and Educational Programmes

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

practicable.

ITEM 33
LETTER OF AGREEMENT
RE: EDUCATION FUND

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

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

The Company will contribute one (1) cent per hour worked to the Education Fund and such contribution will be made for straight time hours worked only and will not be made for overtime hours or premium hours. Hours not worked, even though compensated in accordance with a specific provision of the Agreement and deemed to be hours worked for other purposes, shall not be considered to be hours worked for the purpose of this Fund. Contributions to the Fund will be made quarterly, in the middle of the month immediately following completion of each calendar quarter year as specified in Item 13 of the Basic Agreement.

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

ITEM 34
LETTER OF AGREEMENT
RE: HUMANITY FUND

The Company will contribute one (1) cent per hour worked to the United Steelworkers Humanity Fund and such contribution will be made for straight time hours worked only and will not be made for overtime hours or premium hours. Hours not worked, even though compensated in accordance with a specific provision of the Agreement and deemed to be hours worked for other purposes, shall not be considered to be hours worked for the purpose of this Fund. Contributions to the Fund will be made quarterly, in the middle of the month immediately following completion of each calendar quarter year, and such contributions remitted to the United Steelworkers National Office.

It is clearly understood that this Fund is to be utilized strictly for the purposes specified in the Steelworkers Humanity Fund Inc. Letters Patent, dated March 12, 1986.

ITEM 35

LETTER OF AGREEMENT RE: FOOD SERVICES

The Company and the Union agree to meet when required to discuss problems with respect to the food services in the Plant. This Committee will consist of the Union President or his/her delegate, the Human Resources Manager or his/her delegate and equal representation from the Company and the Union to a maximum of six (6) committee members. The Company agrees to pay the members of the Union Committee for time lost from work for attendance at such meetings.

The purpose of such meeting will be to review any specific concerns with respect to the existing facilities and procedures.

In addition the Committee may make specific recommendations for improvements in such areas as:

- Food preparations
- Service and packaging
- Menu and prices
- Physical layout

As a part of the ongoing review a representative from both the Company and the Union may tour food facilities once per quarter.

ITEM 36

LETTER OF AGREEMENT RE: THE GROUP INSURANCE AND PENSION AGREEMENTS

Group Insurance:

The Employer shall pay on behalf of each employee who has completed 90 days of active service, the cost of the following benefits:

- Dentalcare
- Visioncare
- Life Insurance
- Weekly Indemnity
- Hearing Loss
- Long Term Disability

Healthcare
Accidental Death and Dismemberment

All of the benefits set out in this Article shall be provided in accordance with, and as more particularly described in the respective plans and policies. These plans and policies do not form part of this Collective Agreement. Any disagreement as to payment of benefits under such plans or policies shall be resolved pursuant to the dispute settlement provisions of those plans or policies.

The Employer will have the right to select the carrier of its choice in respect of any of the above benefits, provided that in the event that any carrier is changed, an equivalent level of benefits and conditions will be maintained.

Pensions:

The Employer agrees to maintain a Pension Plan with contributions and benefits equivalent to that currently in existence for employees whose Company start date precedes April 15, 2010. The terms of the Pension Plan do not form part of this Collective Agreement. Any disagreement as to payment of benefits under the Pension Plan shall be resolved pursuant to the dispute settlement provisions of that Plan.

A dispute arising with respect to the obligation of the Company to provide for benefits under a Group Insurance Plan and the obligation to maintain a Pension Plan as outlined above will be arbitrable under the Provisions of Section 9 of the Basic Agreement.

ITEM 37

LETTER OF AGREEMENT

RE: SPECIAL LEAVES OF ABSENCE FOR ELECTED AND APPOINTED OFFICIALS

- A. An employee who becomes a candidate or the senior campaign manager of a candidate for election to the office of provincial or federal member of parliament, or to the political office of Mayor, Regional Chairman, Town Councillor, Regional Councillor, or School Trustee will be granted a leave of absence for such purpose. In the event that an employee is appointed to or elected to any of the offices as set out above, the leave of absence for such employee will be extended for the period of time he/she serves in such office.
- B. In the event that an employee is elected as an official of the United Steelworkers or appointed by the District Director of the United Steelworkers as a staff representative of the Union, the employee, upon written request by the International Office of the Union, will be granted a special leave of absence for the term of his/her elected office or appointment.
- C. Company Service for any such employee as specified in A or B above shall be retained for the period prior to his/her leave of absence and, for the purposes of Section 7 Seniority only,

shall accumulate during such leave.

- D. The Company will extend group insurance benefits (except weekly indemnity and L.T.D.) provided that any such employee pays the full premiums for such coverage.
- E. Credited Service for purposes of the Pension Plan or Group RRSP (referred to in Item 40) shall not include any calendar month during the whole of which any such employee is on such Leave of Absence as provided in A or B above. Pension benefits for an employee granted a leave of absence under B above, who is elected as an official or appointed by the Union as a representative and who subsequently returns to full time permanent employment with the Company, will be calculated based on his/her accumulated Credited Service and the pension formula in effect at the date of his/her retirement on pension.
- F. For the purposes of B above, it is agreed that not more than three (3) employees from Lake Erie Works will be granted such special leave of absence at any one time.

ITEM 38

LETTER OF AGREEMENT

RE: COOPERATIVE EDUCATION PROGRAMS FOR ENTRY INTO THE SKILLED TRADES

- 1. As an entry point into the skilled trades, the Parties have agreed to utilize the Cooperative Education Program sponsored by The Canadian Steel Trade and Employment Congress and other similar skilled trades education programs (hereinafter referred to as a "Program") structured to provide students with academic and work term opportunities towards their successful graduation. Such Program will be monitored by the Co-Chairpersons of the JTTC.
- 2. At the point of graduation, the Company may offer students enrolled in a Program an opportunity to be hired for full time employment. It is understood that students so hired must successfully complete their skilled trades training with applicable Certificate of Qualification as may be required. The parties will continue to work with CSTECC and the Ministry of Training Colleges and University in order to explore the need to establish Certificate of Qualification for any trades in Section 17 that do not hold such designation.
- 3. The following applies to students hired as employees in accordance with Paragraph 2 above:
 - a) they will not be required to serve a probationary period as outlined in the Basic Agreement.
 - b) complete calendar months worked during the work-term(s) at Lake Erie Works while in the Program will be credited towards their vacation entitlement.

- c) complete calendar months worked during the work-term(s) at Lake Erie Works while in the program will be considered Credited Service.
 - d) the hours worked for complete calendar months during their work-term(s) at Lake Erie Works will be considered hours worked for purposes of the Group RRSP (referred to in Item 40).
4. While on work-term, students will have the applicable Union dues deducted from their hourly rate.
 5. Prior to a student being removed from a Program for misconduct while on a work-term, such will be reviewed by the Co-Chairpersons of the JTTC.
 6. The Parties will develop apprenticeship training schedules and rate progressions schedules as required for each of the skilled trades.
 7. The Program will be monitored by the Senior Level Committee.

Lake Erie Works Skilled Trades Cooperative Education Development Pattern Industrial Mechanic & Industrial Mechanic Machinist

Start with approx. 2,600hrs work experience ==>

Skilled Trade Replacement	Year 1							Year 2							Year 3							Year 4							Year 5							Year 6							Year 7
	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A							
Industrial Mechanic & Industrial Mech Machinist	S1							S2							S3							S4							JC 11							JC 12	JC 13	JC 15	JC 17	JC 23	JC 25		
	\$18.50/hr							\$20.50/hr																																			

- Academics
- Student Work Term
- Lake Erie Works Apprentice
- Fully Qualified Tradesperson

Point of Hire ==>

Fully Qualified and Competent Lake Erie Works Tradesperson ==>

Note: From Point of Hire to Demonstration Period months shown are for illustrative purposes only. Rate advancement measured in hours worked. Each full JC block = 1040 hours.

Optional Night School to prepare for O of O

Assigned to Module

Assigned to Module

Fully Qualified Tradesperson

Final training and completion of skilsets and demonstrated performances.

8-10 wks

Attend and complete Advanced Trade School where applicable ==>

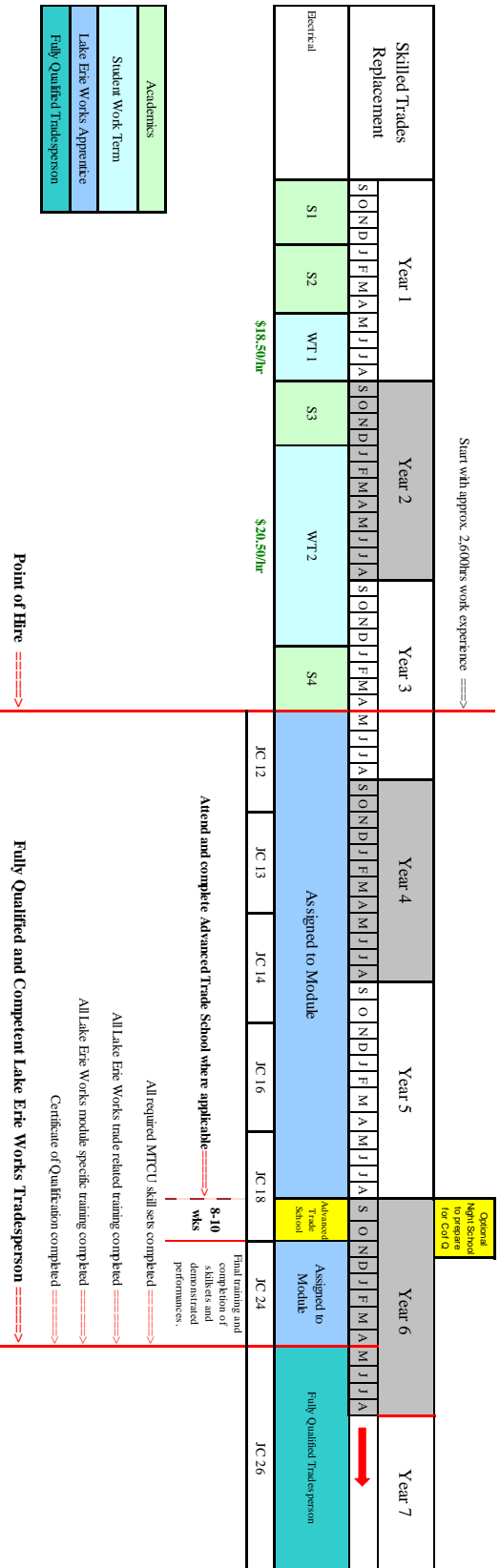
All required MTCU skill sets completed ==>

All Lake Erie Works trade related training completed ==>

All Lake Erie Works module specific training completed ==>

Certificate of Qualification completed ==>

Lake Erie Works Skilled Trades Cooperative Education Development Pattern Electrical



Note: From Point of Hire to Demonstration Period months shown are for illustrative purposes only. Rate advancement measured in hours worked. Each full JC block = 1040 hours.

Lake Erie Works

Skilled Trades Cooperative Education Development Pattern

Instrumentation Technician

		Start with approx. 1900 hours of work experience ----->															
Skilled Trades Replacement	Instrumentation Technician	S1	S2	Summer	S3	S4	WT 1	WT 1	S5	WT 2	S6	Year 1	Year 2	Year 3	Year 4		
	Academics	S1	S2	Summer	S3	S4	WT 1	WT 1	S5	WT 2	S6	JC 12	JC 13	JC 14	JC 16	JC 18	JC 24
													Assigned to Module				
													Demonstration Period				
													Fully Qualified Tradesperson				
													Fully Qualified Tradesperson				
													Fully Qualified Tradesperson				

Academics	
Student Work Term	
Lake Erie Works Apprentice	
Demonstration Period	
Fully Qualified Tradesperson	

Point of Hire <====>

====> Fully qualified and competent Lake Erie Works tradesperson <====>

Note: Front Point of Hire to Demonstration Period months shown are for illustrative purposes only. Rate advancement measured in hours worked. Each full JC block = (160) hours.

ITEM 39

LETTER OF AGREEMENT

RE: OPERATING / POWER ENGINEER COOPERATIVE EDUCATION PROGRAM

1. As an additional entry point into the Utilities Department the Parties have agreed to the establishment of the Operating / Power Engineer Cooperative Education Program, hereinafter referred to as the "Program" with the objective of establishing a source of fully qualified and certified 3rd Class Stationary Engineers student graduates to fill identified employment needs of the plant.
2. The Union's Production Coordinator and a representative of the Utilities Department appointed by the Union Senior Level Committee will be involved in ongoing development, monitoring and implementation of the Program.
3. At the point of graduation, the Company may offer a student an opportunity to be hired into the Utilities Department. While it is expected the student will be fully qualified and certified upon graduation, it is understood that under certain circumstances additional time may be necessary to fully complete the necessary requirements. To address these circumstances, the Parties agree that students so hired must successfully complete all 3rd Class Stationary Engineering examinations and other TSSA requirements, such that they obtain a 3rd Class Operating (Stationary) Certificate of Qualification ("3rd Class Ticket"), within a period not to exceed six (6) months from their date of hire. Should an individual fail to complete these requirements within the established six (6) month period, their employment may be terminated.
4. The following applies to students hired as employees in accordance with Paragraph 3 above:
 - a) complete calendar months worked during the work-term(s) at Lake Erie Works while in the Program will be credited towards their vacation entitlement.
 - b) complete calendar months worked during the work-term(s) at Lake Erie Works while in the program will be considered Credited Service.
 - c) the hours worked for complete calendar months during their work-term(s) at Lake Erie Works will be considered hours worked for purposes of the Group RRSP (referred to in Item 40).
 - d) Individuals hired in accordance with Paragraph 3 above, will not be required to serve a probationary period as defined in Section 7.04(a)
5. While on work term, students will have the applicable Union dues deducted from their hourly rate.

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

Lake Erie Works Operating/Power Engineer Cooperative Program 3rd Class Operating/Power Engineer

Start with approx. 480 hrs work experience ⇨⇨⇨

Utilities Replacement	Year 1												Year 2												Conditional Period											
	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A												
Power Engineering	S1						S2						S3						S4						Conditional Period											
	Techniques												Technician																							

Point of Hire ⇨⇨⇨

All 3rd Class TSSA exams must be successfully completed by year end

- Academics
- Student Work Term
- Lake Erie Works Conditional Period

ITEM 40

LETTER OF AGREEMENT RE: GROUP RRSP

1. Employees hired on or after April 16, 2010 are not eligible to participate in the U. S. Steel Canada, Inc. Retirement Plan for Local 8782 Members at Lake Erie Works (“the Plan”).
2. The definition of “employee” in Section 1 of the Plan will be amended to exclude any employee hired on or after April 16, 2010.
3. A new group registered retirement savings plan (“Group RRSP”) will be established by the Union for employees hired on or after April 16, 2010. As of the Effective Date of the 2013 Basic Agreement, the Company’s contribution to the plan shall be fixed at \$2.65 per hour as provided for in paragraph 4 below, with no further obligation or liability of any kind for funding or pension benefit payments or for the establishment or administration of the plan. The Company will not be the legal sponsor or administrator of the Group RRSP.
4. 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 union business, whether paid by the Company or not.
 - c) Hours for periods on lay-off up to a maximum of 35 weeks, during which time the employee will be deemed for this purpose alone to have worked forty (40) hours per week.
 - d) Hours for absences during which the Covered Employee:
 - i) Is receiving WSIB compensation or Weekly Indemnity benefits.
 - ii) Is on leave of absence for military service as set forth in the Employment Standards Act.
 - iii) Is on leave of absence for maternity / parental leave.

Such absences, specified in this paragraph 4 (d), will be credited as contributory hours at the rate of up to forty (40) hours per week.
5. For those employees hired after on or after April 16, 2010 and subject to the provisions of Item 40, where the term “Credited Service” is used in the Basic Agreement, it means an employee’s “Credited Service” as it would be determined for pension eligibility purposes

under the U. S. Steel Canada, Inc. Retirement Plan for Local 8782 Members at Lake Erie Works, notwithstanding whether the employee is a participant in such pension plan.

6. It is expressly understood that under no circumstances will an employee be entitled to participate in both the U. S. Steel Canada, Inc. Retirement Plan for Local 8782 Members at Lake Erie Works and the Group RRSP at the same time.