

AGREEMENT

THIS AGREEMENT made as of the 1st day of January 1997

BETWEEN

HUDSON BAY MINING
AND SMELTING CO., LIMITED

OR ITS SUCCESSORS

(hereinafter called the "Company")

()

OF THE FIRST PART

MAY 20 1997

- and -

~~UNITED STEELWORKERS OF AMERICA,~~
LOCAL UNION NO. 9338

(hereinafter called the "Union")

OF THE SECOND PART

1 11492(01)

UNITED STEELWORKERS OF AMERICA - CBA
Local Union No. 9338
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Article 1

RECOGNITION

1.01 The Company recognizes the Union as the sole bargaining agent for the purposes of collective bargaining in respect of rates of pay, wages, hours of employment and other conditions of employment for employees who fall within the scope of the Certification Order issued by the Canada Labour Relations Board on November 18, 1993.

1.02 Whenever the masculine gender appears in this Agreement it shall also mean the feminine gender, unless the context requires otherwise,

- * See Canada Labour Relations Board Order and Appendix "A".
- * See Letter of Agreement.

Article 2

MANAGEMENT RIGHTS

2.01 The Union recognizes that it is exclusively the function and right of the Company to direct the working forces, to make and alter from time to time reasonable rules to be observed by the employees, to hire, promote, demote, transfer, suspend or lay off employees, and also the right of the Company to discipline or discharge any employee for just cause.

2.02 The Union further recognizes the right of the Company to operate and manage **its** business in accordance with its commitments and responsibilities. Without limiting the generality of the foregoing,

it shall be the sole and exclusive prerogative of the Company to decide on the location of its plants and mines, the products to be mined and/or processed, the schedules of production, the methods of mining and processing used, the number of employees needed by the Company at any time, operating techniques, methods, machinery, equipment and supplies, to determine services to be rendered and the location from which such services are provided, to determine equipment, techniques, methods and materials, to determine the nature of the staff organization and reporting relationships, to determine the size of the work force and the allocation and assignment of the work to employees, to determine policies affecting the selection and assignment of employees, including the establishment and administration of tests for the purposes of assisting the Company in assessing qualifications, and to determine work standards and production levels and the quality of workmanship to be required.

- 2.03 The Union recognizes that the Company has the right to promote or transfer employees to positions both within and outside of the bargaining unit and to return employees to positions within the bargaining unit.
- 2.04 The Company reserves the right to hire trainees for positions outside of the collective bargaining unit and to have them work with or in bargaining unit positions as part of their training. Provided that such trainees work alongside or in bargaining positions for no more than three (3) months, they shall not be considered as coming within the bargaining unit. It is understood that co-op students hired for the period of a work term will not be considered as coming within the bargaining unit. It is further understood that with regards to all other students the Company may, at their option, adopt special rates to be paid such students.

- 2.05 The Company agrees that the exercise of Management rights and powers under this article is subject to the **terms** of this Agreement, and any such exercise of rights in conflict with provisions of this Agreement shall be subject to the grievance procedure.

Article 3

UNION SECURITY

- 3.01 Every employee covered by this Agreement shall, as a condition of continuing employment, pay to the Union an amount equal to the Union's constitutional monthly dues. The Company will deduct such amount from the employee's pay on the second pay day of each month.
- 3.02 Deduction of monthly Union dues will cease when an employee is transferred or promoted to a position outside of the bargaining unit.
- 3.03 The Company will transmit to the authorized representative of the Union the total monthly deductions of Union dues, listing the employees by name from whose pay such Union dues have been deducted. The Company will, at the time of making such payment to the Union, list the additions to and deletions from **the** previous month's listing, noting the reasons **for** such additions or deletions.
- 3.04 The Company will, on or before March 1st of each year, furnish to each employee a statement of the total monthly dues which have been deducted from such employee's pay cheques and remitted to the Union during the preceding calendar year.

Article 4

UNION REPRESENTATION

- 4.01 The Union shall name and the Company shall recognize the following:
- (a) Shop Stewards which shall be distributed throughout the departments in a reasonable fashion.
 - (b) Grievance Committee which shall be made up of the Union President, Grievance Committee Chairman and the Staff Representative.
 - (c) Joint Safety and Health Committee which **shall** be comprised of two (2) employee representatives and two (2) representatives to be named by the Company.
 - (d) Bargaining Committee which shall be made up **of** five (5) employee representatives and the Staff Representative.

Article 5

SAFETY AND HEALTH

- 5.01 The Union and the Company **shall** co-operate in continuing and perfecting the safety measures now in effect or in introducing additional measures.

The parties undertake to give full support to these objectives by promoting a safety consciousness and a personal sense of responsibility.

The Company agrees to distribute the safety rules to its new employees and instruct all employees on safe working practices and further instruct its supervisors in regard to maintenance of such practices.

- 5.02 In recognition of the common concern of the Company and the Union in the area of safety and health, a Joint Safety and Health Committee shall be established comprised of two (2) employee representatives and two (2) representatives of the Company. The Company will arrange to provide any training that it deems necessary or that is required by law. The Committee will meet monthly, or more often if determined necessary by both parties. Members of the Committee will be paid for any time spent in Committee meetings during their regular working hours.
- 5.03 Where an employee, after he has commenced work in any day or shift, suffers an industrial accident which, in the opinion of a duly qualified medical practitioner, prevents him from continuing at work, he will be paid at his regular rate of pay, plus any applicable shift premium and Sunday premium, for the balance of the time he would have worked regularly in that day or shift, had that accident not occurred.
- 5.04 In any case where, subsequent to his last date of hiring, the Company requires that an employee undergo a medical examination or obtain a medical certificate other than a medical examination or certificate required by law or the usual Doctor's Certificate of Fitness for Work for employees, the Company will, if any such examination takes place outside the employee's regular working hours, pay such employee at his basic rate for any time spent on such examination.

- 5.05 **An** employee who is requested to undergo a medical examination and/or provide a medical report or who is required to obtain a medical certificate or a Certificate of Fitness for Work and who fails to do **so**, may be suspended without pay until such time as the requested documentation is provided to the Company.
- 5.06 The Company agrees to provide a minimum of sixteen **(16)** hours of training each contract year for the two (2) Safety and Health Committee representatives. Such training shall be provided at the Company's discretion in sessions from two (2) to eight (8) hours duration.

Article 6

SENIORITY

- 6.01 Seniority shall mean the length of continuous service with the Company **since** the date of last hire as a full-time employee. The Company will provide to the Union once per year a list of bargaining unit employees, their classifications and their seniorities and at the end of each quarter, detail movements into, out of, and within the unit.
- 6.02 Probationary Period
- All new or** rehired employees shall be considered as probationary employees until completion of ninety (90) straight-time working shifts. Such employees will be given an interim evaluation of their performance after working forty-five **(45)** straight-time working shifts.

Probationary employees shall have recourse to the grievance procedure in all matters and during the probationary period an employee shall be considered as being employed on a trial basis and may be discharged without notice at any time at the sole discretion of the Company and any such discharge shall be deemed to be for just cause. An employee terminated during his probationary period would be entitled to review under the grievance procedure up to and including Step 2.

6.03 Job Posting

Permanent vacancies for bargaining unit jobs will be posted on Company bulletin boards for seven (7) calendar days during which time all salaried employees are eligible to apply.

The Company, in deciding which applicant, if any, it will choose to fill the vacancy, will consider such factors as the education, experience, skill, aptitude, ability, performance and attendance of the applicants and the requirements and efficiency of operations. In the event two (2) or more candidates are considered equal, seniority will be the deciding factor.

The Company shall post the name and seniority of the successful applicant. On request of the Union President, within five (5) working days of the request, the Company shall make available to the Union the names of all employees who applied for a job posting.

An employee, who is an unsuccessful applicant for a job posting, may request a meeting to discuss the disposition of his application.

Where an employee has been selected to fill a posted job vacancy, the Company will use its best efforts taking into account the efficiency of operations to effect the move in an expeditious manner.

If an employee is the successful applicant for a bulletin job there shall be a probationary period of thirty (30) working days during which the Company may effect his re-transfer to his former job.

It is understood that the Company will give due consideration to an employee who requests he be allowed to return to his former job if such request is made during the thirty (30) working day probationary period.

See Letter of Understanding
#3 - Consideration For Reassignment

Article 7

TEMPORARY AND PART-TIME EMPLOYEES

7.01 Temporary employees are defined as individuals who are employed for the purpose of:

- (a) Replacing employees absent for any reason such as sickness, maternity, vacations or authorized leave of absence.
- (b) Doing a temporary job necessitated by specialized, abnormal, or seasonal work requirements.

If a temporary employee is employed for a period in excess of twenty-four (24) consecutive months such

employee will be considered a regular full-time employee.

- 7.02 A part-time employee is an employee other than a temporary employee who normally works **less** than forty (40) hours per week.
- 7.03 It is agreed between the **parties** that part-time and temporary employees will pay Union dues prorated on the basis of actual hours worked in any month to the normal number of hours in the month based on a forty (40) hour week.
- 7.04 No other provisions of the Collective Agreement shall apply to part-time and temporary employees.

Article 8

REDUCTION AND RESTORATION OF FORCES

- 8.01 Whenever a reduction of force or a reduction of hours is necessary, the Company shall give fourteen (14) calendar days' notice, **or** fourteen (14) days' pay in lieu of such notice, except in the case of temporary reductions due to breakdown, accident, or other emergencies making such notice impossible. Notwithstanding the foregoing, the Company will advise employees as **soon** as possible after a decision is made to reduce hours or manpower.
- 8.02 If the Company deems a layoff in a position necessary, it will identify employees who are redundant, taking into account education, experience, skill, aptitude, ability, performance, attendance and the requirements and efficiency of operations. In the

event these factors are determined by the Company to be equal amongst two (2) or more employees, the junior employee will be laid off. Lay offs will be made in consultation with the Union.

- 8.03 Employees laid off shall keep the Company advised of their address or forfeit their right to consideration when the working force is again restored. Notice of restoration shall be given to the employee not less than ten (10) days prior to his recall date by one of the following methods: (i) to the employee personally, or (ii) by leaving a message at the home of the employee, or (iii) by mailing it to him at his last known address by registered mail.
- 8.04 If it is necessary to hire individuals to fill either ~~tem~~porary vacancies in the bargaining unit which the Company expects to last longer than three (3) months, or permanent vacancies in the bargaining unit, it will consider qualified individuals with recall rights for such openings before considering individuals outside the unit. In so doing, it will take into account the education, experience, skill, aptitude, ability, performance, and attendance of those with recall rights and the requirements and efficiency of operations. In the event these factors are determined by the Company to be equal amongst two (2) or more individuals with recall rights, the individual with the most seniority will be recalled. Recalls will be made in consultation with the Union.
- 8.05 An employee who is laid off by the Company will retain recall rights for a period equal to their seniority at time of layoff to a maximum of three (3) years. Seniority will cease accumulating at time of layoff. All employee benefits including vacation accrual and entitlement will cease at time of layoff.

- 8.06 An individual who is laid off with one (1) or more years of service, who notifies the Company in writing within one hundred and twenty (120) calendar days of being so laid off that they relinquish all rights to recall and wish to terminate their employment, shall be paid as severance pay **an** amount equal **to** one (1) week's pay for each complete year of continuous service.
- 8.07 These provisions shall be deemed to satisfy the minimum severance requirements that are set forth in the Canada Labour **Code**.
- 8.08 Seniority will continue to accrue in the following situation:
- (a) Any leave of absence approved by the Company.
 - (b) Any maternal or parental leave approved by the Company.
 - (c) Any leaves of absence for Union business approved by the Company.
- 8.09 **An** employee will lose all seniority and be deemed to have terminated employment if the employee:
- (a) Voluntarily **quits or is** terminated.
 - (b) **Is** absent without leave from the Company for a period of over three (3) days without providing a reason satisfactory to the Company.
 - (c) Fails to return to work from an approved leave of absence or in accordance with the recall provisions of **this** Agreement **unless**, in either case, a reason satisfactory to the Company **is** given.

- (d) Is laid off by the Company for a period longer than the period during which they retain recall rights.

8.10 A non-certified employee entering the bargaining unit who displaces another employee must be senior to the employee they displace and be considered to be an equal or better candidate to do the job given a short period of familiarization.

See Letter of Understanding
#5 - Long-Term Disability Benefits

Article 9

TECHNOLOGICAL CHANGE

For the purposes of this Article, technological change shall mean:

- (a) The introduction by the Company into its work, undertaking or business of equipment or material of a different nature or kind than that previously utilized by the Company in the operation of the work, undertaking or business; and
- (b) Change in the manner in which the Company carries on the work, undertaking or business that is directly related to the introduction of that equipment or material,

provided however that any such change is such that it is likely to affect the terms and conditions or security of employment of a significant number of the Company's employees to whom this collective agreement applies. Notwithstanding the foregoing, the red circling provisions outlined below will

apply if one or more employees are affected by the technological change.

- 9.01 If an employee is downgraded by the Company into a position paying a lesser rate of pay because of a technological change, such employee will maintain his rate of pay at the time of downgrading. That rate shall be red circled. The red circle rate will remain in effect for a one (1) year period, at which time the employee's rate will be reduced to the full performance level for the new job.
- 9.02 The Company shall give one hundred and twenty (120) calendar days notice prior to introducing technological change.
- 9.03 In the event of a technological change, the Company will, as far in advance of the change as possible, enter into discussions with the Union for the purpose of providing:
- (i) A detailed description of the nature of the proposed technological change;
 - (ii) The names of the employees who will likely be affected by the proposed technological change;
 - (iii) The rationale for the change and the impact it will have on the Company's efficiency and economy of operations, and
 - (iv) The Company's plan to minimize the impact of the technological change on the employees affected.
- 9.04 **As** a result of discussions outlined above and where the scope of the technological change necessitates it, a committee of two (2) Company and two (2) Union

members will be established by the Union and the Company.

- 9.05 The Company shall provide the members of the committee with materials pertaining to technological change which may be required to ensure that the fullest discussion on such matters as retraining, change of work methods, reorganization of work, change to the method of organization, etc. will take place in an effort to implement change with the least possible disruption and with the maximum possible benefits to the Company and employees.
- 9.06 The provisions of this article are intended to assist employees affected by technological change to adjust to the effects of the technological change.
- 9.07 The provisions of the Canada Labour Code, Division IV, Sections 52, 54 and 55 do not apply during the term of this Agreement to the Company and the Union.

Article 10

HOURS OF DAILY, WEEKLY AND OVERTIME WORK

- 10.01 This Article is intended to define the normal hours of work and is not to be construed as a guarantee of hours of work per day or per week or of days or work per week. The normal work week shall be comprised of forty (40) hours per week exclusive of unpaid lunch periods.
- 10.02 An employee shall be paid overtime at the rate of one and one-half (1 1/2) times the employee's equivalent

hourly rate for all pre-authorized overtime work performed in excess of forty (40) hours per week .

- 10.03 "Equivalent rate" means the employee's monthly salary multiplied by twelve (12) and divided by two thousand and eighty (2,080).
- 10.04 An employee will have deducted from his salary an amount equal to any scheduled hours not worked during the pay period multiplied by his equivalent hourly rate. No deduction will be made for hours which have been pre-authorized as paid leave.
- 10.05 Saturday premium pay of fifty cents (50¢) per hour will be paid for each straight-time hour worked on Saturday.
- 10.06 Sunday premium pay of one dollar (\$1.00) per hour shall be paid for each hour worked on Sunday.
- 10.07 Each employee with at least one (1) year seniority will be paid a service premium of thirty cents (30¢) for each straight-time hour worked. This service premium should not form part of the employee's straight-time hourly rate and will only be paid for straight-time hours worked and will not be included for the purposes of establishing benefit entitlement, the calculation of holiday, vacation or any other pay, or for any other purposes whatsoever.
- 10.08 If an employee has completed the scheduled hours of work for his shift and is called in for overtime, he shall receive pay for the full time so worked except that he shall receive pay for a minimum of four (4) hours.
- 10.09 No employee shall be required to work more than six (6) hours, which includes two (2) hours over-**

time, without being allowed a reasonable lunch period on Company time. For each additional three (3) hours overtime such employee works, he shall be provided with an additional lunch period. For such overtime which is unscheduled (if an employee is not provided with at least twelve (12) hours notice prior to the start of the overtime assignment) the Company shall supply to the employee a hot meal or at the Company's or the employee's request, a meal allowance of **\$10.00** shall be paid in lieu of a hot meal.

10.10 A shift differential shall be paid at the following rates:

Afternoon Shift	45 cents/hour
Night Shift	50 cents/hour
Graveyard Shift	50 cents/hour

For employees working extended shift schedules (e.g. **10, 11.5** and **12** hour shifts) the shift premium is:

Night Shift	63 cents/hour
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Shift premiums at the foregoing rates will be paid an employee working an overtime graveyard, night or afternoon shift. That is, shift premium will not be increased for overtime hours.

Shift premiums will not be paid to an employee who works overtime hours preceding or following a day shift.

Any shift starting between **6:00** am and **12:00** noon shall be classed as day shift. Any shift starting between **12:00** noon and **6:00** pm will be classed as afternoon shift. Any shift starting

between 6:00 pm and 10:00 pm will be classed as night shift, Any shift starting between 10:00 pm and 6:00 am will be classed as graveyard shift.

See Letter of Understanding
#1 - Banked Overtime Pay

Article 11

RATES OF PAY

11.01 The salary progression for a given job is as follows:

SALARY PROGRESSION FOR A GIVEN JOB		
Level	Pay	Time at Level
Jobmental	90% of full performance rate	1 year
ptabl	95% of full performance rate	normal
Full Perfo	Full performance rate	

The Paterson Plan job evaluation method will remain in effect during the term of this Agreement. **The full performance rate schedule is detailed in Appendix "C".**

See Letter of Understanding
#4 - Paterson Plan
#7 - Profit Sharing Plan

See
Appendix "C"

Article 12

BENEFIT PLANS

12.01 The Company agrees to continue to provide or to commence to provide the following benefits as set out and summarized in this article.

The clauses that follow **are** merely intended to provide a general description of the benefits that are to be provided. The specific terms **of** any Plan **or** Policy, including eligibility and entitlement **to** benefits, shall be as set forth in the Plan or Policy, and the provisions of that Plan or Policy shall govern.

12.02 Pension Plan

Employees who are members of the Bargaining Unit prior to January 1, 1994 will remain members of the Salaried Retirement Income Plan while employees entering the Bargaining Unit after January 1, 1994 will become members of the Revised Retirement Pension Plan.

12.03 Life Insurance

Employees will be covered **for**:

- Two (2) times your annual base earnings.
- \$25,000 accidental death and dismemberment. If the accident occurs while working on behalf of the Company coverage will increase an additional \$50,000 allowing for a **total** benefit of \$75,000.

12.04 Health Plan

Effective January 1, 1994, the Company will provide Health Plan benefits in accordance with the terms and conditions set out in a separate agreement between the United Steelworkers of America Local 7106, the Association of Flin Flon Trade Unions and the Company (the "Health Plan Agreement").

The Company shall be responsible for funding the Health Plan benefits in an amount sufficient to provide the agreed services to employees and their dependents in accordance with the terms of the Health Plan Agreement.

The following is merely intended to provide a general description of the benefits provided. The specific terms of the Plan, including eligibility and entitlements to benefits, shall be as set forth in the Health Plan Agreement. The benefits are generally as follows:

- (a) Private and semi-private accommodation outside the principal operation of the Health Benefit Plan, if authorized by the medical supervisor; and
- (b) Basic Dental Plan to be continued for employees and dependents to include routine examinations as frequently as every six (6) consecutive months, X-rays, fillings other than inlays or crowns, extractions, oral surgery, cleaning and scaling, fluoride treatment and periodontal care to include Restoration Service (Blue Cross Plan C) on a 50% coverage basis for services used, and Orthodontic Service (Blue Cross Plan D) on a 50% coverage basis for services used. The Orthodontic benefit coverage is limited to a

\$1500 lifetime maximum per individual. This benefit applies to dependents where treatment begins **prior** to the 17th birthday.

- (c) The non-recoverable portion of employee drug costs for drugs prescribed by the attending physician, excepting those **outlined in the Health Plan Agreement dated January 1, 1994.**

Drug benefit eligibility will be contingent on an employee or retiree providing proof to the Company that they have submitted an application for Pharmacare to Manitoba Health.

- (d) Ambulance service to the hospital will be provided if, in the judgment of the attending physician, it is necessary.
- (e) The cost of accommodation and transportation will be paid for referral as an outpatient of an employee **or his** dependent from Snow Lake to Flin Flon or from Snow Lake to The Pas. If the employee or **his** dependent is hospitalized, accommodation will be paid for one family member. Transportation cost will be paid at twenty-five cents (25¢) per kilometre.

In the event of **an** employee or **his** dependent being referred from Snow Lake to Thompson, transportation costs at bus rates will be paid.

Transportation costs at **bus** rates covering the second and subsequent trips on any one case of other referrals will be paid, as will necessary ambulance costs. The Plan may advance such expenses provided satisfactory arrangements are made regarding repayment.

- (f) Physiotherapy Services.
- (g) A member ~~or~~ his registered dependents, while on business or vacation beyond the vicinity of the principal operations of the Company, will continue to enjoy the benefits as provided by the Health Plan.

12.05 Sick Benefit Plan

- (a) Effective January 1, 1994, an employee who is ill will be eligible for sick benefits based on 100% of an employee's straight-time earnings at the time of disability, ~~less~~ any benefits or monies that the employee may be entitled to receive. Without limiting the generality of the foregoing, such benefits or monies shall include Canada Pension Plan payments, Workers Compensation Benefits, and any other benefits or monies payable or recoverable under any scheme of public or private insurance.

Such benefits are payable for a maximum of six ~~(6)~~ calendar months.

An employee who ~~has~~ utilized all or a portion of such benefits will have the full six ~~(6)~~ calendar month benefit reinstated once the employee has returned to active duty and has been continuously in attendance at work, without any period of absence, for at least thirty ~~(30)~~ working days.

An employee who returns to work following an illness, and has a recurrence ~~of~~ that illness within three ~~(3)~~ calendar months following such return, will be entitled to utilize any of the sick benefits that remained unused at the time that he originally returned to work.

In order for an employee to be eligible to receive or continue to receive such sick benefits, the employee must be totally disabled and under the care of a physician. The employee must also be actively following any course of treatment prescribed by the physician. In addition, the employee must, upon the request of the Company, provide the Company with a complete medical report in a form as prescribed by the Company. The Company may also require that the employee undergo a medical examination by a physician designated by the Company.

Further, if the Company deems necessary it may require that individual employees undergo a medical examination by a physician designated by the Company on the first day of absence and in the event such physician is not satisfied the absence from work is necessary or such absence results from the employee's failure to follow a course of action previously prescribed by a medical professional, sick benefits will be denied and progressive discipline may result.

New employees shall not be eligible for the above sick benefit or the following long-term disability benefit until they have completed the probationary period of ninety (90) straight-time working shifts.

- (b) The Company agrees to pay the insurance premiums for a long-term disability benefit plan having benefits that are no less than those set forth under the Company's present long-term disability plan. The specific terms of such plan shall be as set forth in the Master Policy issued to the Company by the insuring organization. The plan does not form part of this agreement

and shall not be deemed to be incorporated into this agreement.

The Company shall be entitled to require employees who are absent on account of long-term disability to provide medical reports and undergo medical examinations in accordance with paragraph (a) above.

12.06 Death Benefit Plan

The Company agrees to continue to administer the Death Benefit Plan, but without Company participation. Members of the Plan will, on the death of a Plan member, have deducted from their pay an amount in accordance with the Death Benefit bylaws. The employees' contributions will form the basis of benefits under the Plan.

See Letter of Understanding

#5 - Long-Term Disability Benefits

#8 - Long-Term Absenteeism

#9 - HBM&S as Second Payer for Drugs

Article 13

GENERAL HOLIDAYS

13.01 Eight (8) hours straight-time shall be paid to all employees not required to work on New Year's Day, Good Friday, Victoria Day, Canada Day, August Civic Holiday, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day and the second Monday in June in each year of this Agreement, provided they comply with the provisions of this Article 13.

13.02 Any employee other than those referred to in Article 13.04 required to work on the eleven (11) General Holidays listed in **Article** 13.01 shall be paid for the first eight (8) hours or less of such work at the rate of one and one-half (1 1/2) times his regular rate of pay and in addition, he shall be paid holiday pay in an amount equal to his regular rate of pay for eight (8) hours and he shall be paid at the rate of two and one-half (2 1/2) times **his** regular rate of pay for all hours in excess of eight (8) hours worked by him on that General Holiday.

See Letter of Understanding
#2 - General Holiday - Substitute Day **Off**

13.03 No employee is entitled to pay for any General Holiday as specified in Article 13.01 unless he has worked during the thirty (30) calendar days immediately preceding the General Holiday.

13.04 No employee **is** entitled to pay for any General Holiday as specified in Article 13.01 if a General Holiday occurs in the first thirty (30) days of employment. Any such employee required to work on such General Holiday shall be paid at a rate **of** one and one-half (1 1/2) times his regular rate of pay for the time worked. Notwithstanding anything to the *contrary* stated herein, upon completion of the first thirty (30) consecutive days of continuous employment with the Company, the said employee shall receive all unpaid General Holiday pay for any General Holiday that occurred during the first thirty (30) days of employment.

13.05 No employee is entitled to pay for any General Holiday, as specified in Article 13.01, on which he was absent without leave after being scheduled to work on the General Holiday.

13.06 Where a General Holiday falls on an employee's regularly scheduled day off and he is not required to work that day, he shall, subject to the provisions of **this** Article 13, be granted a holiday without pay at a mutually agreeable time.

Article 14

VACATIONS WITH PAY

14.01 Vacation anniversary dates for all employees will be the first day of January. A new or rehired employee will have his vacation with pay entitlement for his first vacation calculated according to the number of calendar days he was on the payroll from date of last hire or rehire **to** 31 December.

14.02 Employees will retain the vacation entitlement held as of January 1, 1994, and will increase entitlement in accordance with the following schedule, provided however that **an** employee shall not receive any credit for such purposes for any year during which he was not actively at work for at least a portion of such year:

Vacation Anniversary Date	Employees' Vacations Due With Pay
1 st	10 working days, as per calculation in 14.01
2 nd	11 working days
3 rd	12 working days
4 th	13 working days
5 th	15 working days
6 th	15 working days
7 th & 8 th	16 working days
9 th & 10 th	17 working days
11 th & 12 th	18 working days
13 th & 14 th	19 working days
15 th to 19 th inclusive	21 working days
20 th	22 working days
21 st	23 working days
22 nd	24 working days
23 rd & over	25 working days

In addition to the vacation pay outlined above, there shall be added **to** the vacation pay **of** any employee an amount of **\$2,125** for each working **hour** of regular vacation granted and taken under Article 14.02.

See Letter of Understanding
#6 - Vacation

- 14.03 The rate per day that will be granted for vacation allowance will be calculated using an eight (8) hour day and the employee's normal straight-time earnings per day at the time of his vacation.
- 14.04 When any of the eleven (11) General Holidays listed in **this** Article fall during an employee's vacation with pay, such vacation with pay shall be extended by one (1) day, subject to the other provisions of this Article.
- 14.05 Employees will manage with their department supervision as to the dates they will be granted vacations. An effort will be made to meet the desire of the individual employee, but Management reserves the right to **so** arrange vacations that the work will be as little affected as possible.
- 14.06 It is intended that vacation be taken each year but employees may, under special circumstances, accumulate their vacation periods. Any request to accumulate vacations must be in writing to the department superintendent stating reasons for the request. Decisions respecting such requests will be made by Company Management.
- 14.07 If **an** employee leaves the service of the Company, is laid off, or **his** employment is terminated, he shall be paid a sum proportionate to the service he has completed in the qualifying period. Should **his** employment be terminated by his death, such sum shall be paid to his estate.

Special Vacation

- 14.08 During the life of this Agreement each employee who completes three (3) years of continuous service since the date of his most recent hiring or since the date he last became entitled to a special vacation with pay, whichever is later, shall become entitled to three (3) weeks of special vacation with pay.
- 14.09 Vacation pay for special vacations will be paid as outlined in Article 14.03 on the basis of a five (5) day, forty (40) hour week.
- 14.10 The Company reserves the right to grant special vacations only at such times and in such amounts as the Company in its sole discretion may determine. Consideration will be given to special requests from individual employees.
- 14.11 Should an employee who is entitled to any special vacation with pay fail, for any reason, to take the same within three (3) years after becoming entitled thereto, or should he retire or otherwise cease to be employed by the Company or die before taking same, the Company will, in lieu of granting such special vacation, pay to such employee or to his estate should he have died, the special vacation pay to which he would have been entitled if he had taken such special vacation immediately prior to the third (3rd) anniversary of his becoming entitled thereto or immediately prior to the cessation of his employment with the Company or immediately prior to his death as the case may be.
- 14.12 In determining the length of a special vacation, a week shall mean five (5) eight (8) hour working days.

- 14.13 The allocation of vacations with pay under the provisions of the regular vacation plan shall have priority over the allocation of special vacations hereunder.

Article 15

LEAVE OF ABSENCE

15.01 When the requirements of the plant or plants permit, employees for satisfactory cause or circumstance, may be granted leave of absence without pay for a limited period and under the following conditions:

- (a) Application for leave of absence shall be made in writing to the department superintendent stating full particulars, including length of intended leave of absence and reason. The approval of such leave will be at the sole discretion of the Company.
- (b) An employee granted leave of absence for a period not exceeding one hundred and fifty (150) calendar days shall retain his seniority status and seniority shall accrue to him during his absence. The approval of such leave will be at the sole discretion of the Company.

15.02 Union Leave

When the requirements of the plant or plants will permit, the Company shall grant leave of absence without pay for work of an official nature for the Union as follows:

- (a) Upon written application, no less than one (1) week in advance, the Company will grant

employees leave of absence without pay provided the numbers of employees absent at any one time shall be mutually agreed upon.

15.03 Bereavement Leave

- (i) A maximum bereavement leave of ten (10) calendar days will be granted to an employee, commencing on the day of the death of his spouse, son or daughter, in order to attend the funeral. For each day the employee was regularly scheduled to work during such leave he shall be paid his regular rate of pay for eight (8) hours.
- (ii) A maximum bereavement leave of three (3) **scheduled working** days will be granted to an employee, upon the death of his mother, father, sister, brother, mother-in-law, father-in-law, sister-in-law, brother-in-law, grandmother, grandfather, spouse's grandmother, spouse's grandfather, grandchild, and any relative permanently residing in the employee's household or with whom the employee resides, in order to attend the funeral. In this situation the bereavement leave will be extended by two (2) **scheduled working** days if the employee attends the funeral outside Manitoba and Saskatchewan. For each scheduled working day of such leave of absence the employee shall be paid his regular rate of pay for eight (8) hours.
- (iii) **In the event that an employee's bereavement leave overlaps or occurs during his vacation period, his vacation time will be extended by the number of days bereavement leave he would have been entitled to had he been at work.**

- (iv) To qualify for bereavement leave, the employee shall notify his immediate supervisor as soon as possible following the death.
- (v) Notwithstanding the terms of Article 15.03 under the Canada Labour Code an employee is entitled to three (3) calendar days bereavement leave immediately following the death of the employee's spouse, son, daughter, mother, father, sister, brother, mother-in-law or father-in-law. There is no requirement under the Code to attend the funeral to be eligible for such leave. This section is in the Collective Agreement as a means of communicating the terms of the Canada Labour Code and will be automatically changed to conform to the Code in the event the Code changes.

15.04 Jury Duty

Employees required to serve on Jury Duty shall be paid the difference between the straight-time earnings they would otherwise have earned and the amount they receive for Jury Duty subject to the following provisions:

- (a) Employees must notify their department supervision within forty-eight (48) hours after receipt of notice of selection for Jury Duty or on his next regularly scheduled shift;
- (b) Any employee called for Jury Duty who is temporarily excluded from attendance at Court must report to work as soon as possible; and
- (c) In order to be eligible for such payment the employee must furnish the Industrial Relations

Department with a written statement from the appropriate public official showing the date, time served **and** the amount of pay received.

15.05 Maternity Leave

An employee may advise her immediate supervisor in writing, with confirmation from a qualified medical practitioner, stating the expected date of delivery, that she is pregnant and wishes to have a leave of absence. Provided the application for such leave is given to **her** immediate supervisor at least four **(4)** weeks prior to the day on which she intends to commence the leave, the Company shall grant her a maternity leave of absence without pay for the period of seventeen **(17)** weeks, six **(6)** weeks of which shall be taken immediately following the date of her delivery. If delivery takes place later than the expected delivery date shown on the application, the seventeen **(17)** weeks leave may be extended by a number of days equal to the days between the expected and actual dates of delivery.

The Company may require a pregnant employee to commence a maternity leave of absence without pay at such time as she cannot, in the Company's opinion or in the opinion of a qualified medical practitioner, perform the normal duties of her job. In the event that such a requirement results in six **(6)** weeks of the leave not remaining after the delivery, she will be granted the full six **(6)** weeks after the delivery. In any event, a pregnant employee will be required to commence maternity leave of absence without pay at least eleven **(11)** weeks before the expected date of her delivery.

In the event that such employee is unable to return to work at the conclusion of the six **(6)** week peri-

od immediately following the date of delivery because of medical complications arising out of her pregnancy and/or delivery, she shall be granted an extension of up to six **(6)** months in her maternity leave of absence without pay, provided she makes application to her supervisor at least one **(1)** week prior to the expiration of her leave.

The Company may at any time require an employee on maternity leave or entitled to maternity leave pursuant to this article, to provide certification from a qualified medical practitioner of her condition including the expected and actual date of her delivery. In addition, prior to the employee returning to work from a maternity leave of absence such an employee may be required by the Company to present the Company with the written opinion of a qualified medical practitioner that she is able to perform the normal duties of her job.

The foregoing section is in the Collective Agreement as a means of communicating the terms of the Canada Labour Code and will be automatically changed to conform to the Code in the event the Code changes.

15.06 Child Care Leave

Where an employee has or will have the actual care and custody of a new-born child or adopts a child, such employee shall be granted (in accordance with Sections 206 and 207 of the Canada Labour Code) an unpaid leave of absence of up to twenty-four **(24)** weeks.

This section is in the Collective Agreement as a means of communicating the terms of the Canada Labour Code and will be automatically changed to

conform to the Code in the event the Code changes.

Article 16

BULLETIN BOARDS

- 16.01 It is agreed that Union bulletin boards may be used only for non-political Union notices relating to employees in the Company's workplace.

NO DISCRIMINATION OR HARASSMENT

- 16.02 The parties mutually agree that there shall be no discrimination or harassment by either of them or by any of the members of the Union against any employee by reason of membership or non-membership in any labour organization or by reason of sex, race, national origin, colour, religion or physical disability. The Company policy entitled "Human Rights Policy" dated November 14, 1991 will remain in force for the duration of this Agreement.

CONTRACTING OUT

- 16.03 The Company recognizes that the Union has an understandable concern over "contracting out" and agrees that employees in the bargaining unit hired prior to January 1, 1994 will not be laid off as a direct result of contracting out work they normally perform.

DISCIPLINE PROCEDURE

The following procedure shall govern in all cases of suspension and discharges:

- (a) The Company shall have the right to suspend or discharge any employee for sufficient and just cause;
- 17.01 When an employee is suspended, discharged or given a written warning while at work, a steward shall attend at the employee's option while that employee is being so disciplined provided such steward is at work and readily available.
- 17.02 The employee and the Union will receive a written copy of the suspension slip or discharge letter.
- 17.03** An employee wishing to review his departmental employee file may do so once per year. He shall make such request to his department superintendent or designate. All of the material in the file will be reviewed with the employee. If the employee disagrees with the factual nature of any of the material in his file and the superintendent or his designate are unwilling to remove the material from the file, such employee will be entitled to write a note to the file explaining his disagreement. Such note will become part of the file.

Article 18

GRIEVANCE AND ARBITRATION PROCEDURE

18.01 A grievance shall be defined as a difference between the Company and any of its employees regarding the interpretation, application, administration or alleged violation of the provisions of the Collective Agreement.

18.02 If a difference arises between an employee and the Company over the interpretation, application, administration, or the alleged violation of **this** Agreement, the employee and his/her immediate supervisor must first meet as soon as possible and attempt to resolve the difference informally.

18.03 step I

If the difference has not been settled informally, **or** the employee has not received a reply from **his** supervisor within five (5) working days, the employee may present the difference in writing as a grievance to his/her immediate supervisor. All grievances must be in writing, signed by the employee and outline the terms of the Collective Agreement alleged to **be** violated. All grievances must be submitted within fourteen (14) calendar days of the occurrence giving rise to the grievance. The employee's supervisor will have five (5) working days to render a written decision on the matter.

18.04 step II

Failing satisfactory settlement, the employee within five (5) working days **of** having received the written decision at Step I may refer the matter in writing to the department head. The department head will

arrange a meeting to review the matter within fourteen (14) calendar days of receipt of the written request for a Step II meeting. The employee may be accompanied at that meeting by the Union President, and a steward from the employee's department. The United Steelworkers staff representative may also attend. The department head will provide a written reply to the grievance to the Union President within seven (7) calendar days of the meeting.

18.05 Arbitration

If the Company and the Union are unable to settle any grievance in the foregoing manner, the grievance may be referred to an Arbitrator selected in rotation from the panel of individuals set forth below:

Jack M. Chapman, Q.C.
Martin H. Freedman, Q.C.
David Bowman

If the aggrieved party does not proceed to arbitration within fourteen (14) calendar days of receipt of the Step II answer, the grievance shall be deemed forfeited and waived by the aggrieved party. In the event the grievance is referred to arbitration, the Company and Union agree that the cost of the arbitration will be shared equally by both parties.

18.06 The time limits set forth for the grievance and arbitration procedure may only be extended by the agreement of the parties.

~~Article 19~~

NO STRIKES, NO LOCKOUTS

19.01 In view of the orderly procedures established by this Agreement for the settlement of disputes and the handling of grievances, the Union agrees that, during the duration of **this** Agreement, they shall not declare, authorize or engage in any strike, sit-down, slow-down or any suspension of work, nor shall the Company engage in any lockout in the Flin Flon and Snow Lake areas.

Article 20

DURATION OF AGREEMENT

20.01 This Agreement shall become effective as of January 1, 1997 and shall remain in effect until and including December 31, 1999 and shall be automatically renewed thereafter for successive periods of twelve (12) months unless either party requests the negotiation of a **new** agreement by giving written notice to the other **party** not less than thirty (30) calendar days and not more than sixty (60) calendar days prior to December 31, **1999** or not **less** than thirty (30) calendar days and not more than sixty (60) calendar days prior to the anniversary date of any automatic renewal of this Agreement.

January 1, 1997

LETTER OF UNDERSTANDING - #1

To the Union:

RE: BANKED OVERTIME PAY

This will confirm the agreement reached between the parties that during the term of the Collective Agreement, the Union and individual departments may enter into agreements to "bank" overtime pay. Any agreement reached will contain the following provisions:

- 1) At an employee's request, he will not be paid for overtime worked and payment for this work will be banked (banking of pay, not banking of hours).
- 2) It is understood that this banked overtime pay may be paid out at any time at the discretion of the employee.

(signed) K. J. Entwistle
Industrial Relations Manager

(signed) R. A. Imrie
Staff Representative
United Steelworkers of America

January 1, 1997

LETTER OF UNDERSTANDING - #2

To the Union:

RE: GENERAL HOLIDAY • SUBSTITUTE DAY OFF

Notwithstanding the terms of Article 13, at the supervisors discretion an employee who is required to work on a General Holiday may be allowed to take a substitute day off without pay at a mutually acceptable time. Such day must be taken within one (1) year of the General Holiday.

(signed) K. J. Entwistle
Industrial Relations Manager

(signed) R. A. Imrie
Staff Representative
United Steelworkers of America

January 1, 1997

LETTER OF UNDERSTANDING - #3

To the Union:

RE: CONSIDERATION FOR REASSIGNMENT

As outlined at 1994 bargaining, employees will not be eligible to bid on a posting for a vacancy in their own classification. Notwithstanding the foregoing, if an opening arises in their classification and it involves work assignments that will significantly expand an interested employee's skills or job knowledge then interested employees will be considered for such an opening. At the time an opening arises, employees in

that classification who desire reassignment can make their interests known to the Personnel Superintendent who will review such requests with the department head(s) in question.

(signed) K. J. Entwistle
Industrial Relations Manager

(signed) R. A. Imrie
Staff Representative
United Steelworkers of America

January 1, 1997

LETTER OF UNDERSTANDING - #4

To the Union:

RE: PATERSON PLAN

This will confirm our agreement, reached at negotiations, whereby the Company will provide training in the existing Paterson **Plan** Decision Band Method of job evaluation to **four (4)** employees designated by the Union.

It is understood that banding disputes between the parties resulting from job changes that may occur subsequent to the signing of this Agreement may be referred to Lynda Mungall as Arbitrator, with the cost of the Arbitration to be shared equally by both parties. All other banding disputes will not be considered a proper subject for the grievance procedure. **The parties agree that it would be in the best interests of all concerned to deal with matters under this Letter as expeditiously as possible.**

Notwithstanding **the foregoing** the parties may, by mutual agreement, increase or decrease the banding of any job even

though no changes have been made to it if both parties agree a banding change is warranted. **During the term of the Agreement the parties agree to review the banding of the following jobs:**

- 1. Buyer**
- 2. XRF Technician**
- 3. all B-1-1 jobs**
- 4. two other jobs to be named by the Union.**

(signed) K. J. Entwistle
Industrial Relations Manager

(signed) R. A. Imrie
Staff Representative
United Steelworkers of America

January 1, 1997

LETTER OF UNDERSTANDING - #5

To the Union:

RE: LONG-TERM DISABILITY BENEFITS

This is written to confirm the agreement reached at 1994 bargaining with regards to employees who are absent from work for extended periods and are not in receipt of Workers' Compensation benefits.

It is understood between the parties that the definition of disability used to remain eligible for Long-Term Disability benefits changes to an inability to be gainfully employed after twenty-four (24) months of receipt of Long-Term Disability benefits.

The agreement reached was if an employee is deemed eligible to continue receipt of **Long-Term** Disability benefits after receiving same for twenty-four (24) months, the Company may, at its option, retire the employee on a Disability pension or continue the employee on Long-Term Disability benefits. It is understood between the parties that provisions will have to be added to the Pension Plan to accommodate this agreement and that for present employees who are members of the defined benefit plan (SRIP) a Disability pension shall mean an unreduced pension.

It is further understood between the parties that if an employee becomes ineligible for continued receipt of Long-Term Disability benefits and such employee is either unable or unwilling to return and perform the available work then employment will be terminated.

(signed) K. J. Entwistle
Industrial Relations Manager

(signed) R. A. Imrie
Staff Representative
United Steelworkers of America

January 1, 1997

LETTER OF UNDERSTANDING - #6

To the Union:

RE: VACATION

This will confirm the agreement reached between the parties that employees who are members of the Bargaining Unit effective January 1, 1994 will continue to accrue vacation according to the salaried non-certified vacation grid until such

time as they are receiving a yearly vacation allotment of twenty (20) eight (8) hour regular vacation days. Once such employees have reached that level of vacation entitlement they will increase entitlement as per the grid outlined in Article 14.02.

(signed) K. J. Entwistle
Industrial Relations Manager

(signed) R. A. Imrie
Staff Representative
United Steelworkers of America

January 1, 1997

LETTER OF UNDERSTANDING - #7

To the Union:

RE: PROFIT SHARING PLAN

1. The Company agrees to establish a Profit Sharing Plan with effect as of January 1, 1994. The Plan, **which shall not be amended without agreement of the Unions**, includes all employees in the Flin Flon/Snow Lake operations, with the exception of executive officers of the Company and all others who participate in any management incentive plans other than this Profit Sharing Plan.
2. At the end of each calendar year, ten percent (10%) of the Company's "After Tax Earnings (Loss)" if positive, as defined in point 3 of this letter, shall be distributed on the first payday following the issue of the Profit Sharing Plan Statement to the hourly and salaried employees on the following basis.

- a) Hourly and salaried employees who are employed for the **full** year shall receive **a** full and equal share.
- b) Employees who retire or are laid off during the year shall receive a partial share on a quarterly pro rata basis.
- c) Employees who are hired or are recalled during the year and are on the payroll at year end shall receive a partial share on a quarterly pro rata basis.

It is understood between the parties that employees who quit or are terminated during the year will not be afforded profit sharing. It is further understood that quarterly pro rata basis shall mean an eligible employee who was on the payroll during any portion of a quarter will be afforded profit sharing as if he worked that full quarter.

By way of example, if an employee retires in August, he would receive three (3) quarters of the profit sharing payment afforded an employee who was on the payroll for a full year.

Any negative "After Tax Earnings (Loss)" for the calendar year shall be eliminated and not carried forward to future years.

- 3. For the purposes of this Profit Sharing Plan "After ~~Tax~~ Earnings (Loss)" shall comprise "Net Income (Loss)" calculated in accordance with Minorco's accounting policies and International Standards with **the following** exclusions:

- (i) **The greater of Profit Sharing Plan costs or Lump Sum Payment costs**

- (ii) Provisions for deferred income tax
- (iii) The Company's portion of any gains which result in payments under a Gainsharing Plan during the year including the annual global reserve payout.

4. There is no cap on the size of the Profit Sharing Plan.

5. Verification

- (i) Upon release of Minorco's annual results, the Company shall provide the Unions with an audited Profit Sharing Plan Statement for that fiscal period. Such statement shall include verification of the exclusions per point 3 (i), (ii) and (iii).

6. Lump Sum Payment

For the calendar years **1997** and **1998**, the greater of the amount determined per the Profit Sharing Plan above or an amount determined per a Lump Sum Payment formula will be paid to employees. For greater clarity, only the greater of the Profit Sharing Payment or the Lump Sump Payment will be paid for each year.

The Lump Sum Payment formula will be based on actual operating earnings adjusted for:

- (i) Unfavourable cost/volume variance (if any) for each of the approved **1997** and **1998** budgets
- (ii) The impact of a capital write-down as at December **31, 1996**, or any additional write-down during **1997** or **1998** arising as a result of an economic impairment (if any), on **1997** and **1998** non-cash rates.

For purposes of this Lump Sum Payment formula, operating earnings shall be defined as the “After ~~Tax~~ Earnings (Loss)” as defined in 3 above before:

- (i) Exploration
- (ii) Other financing costs
- (iii) Interest expense
- (iv) Taxes.

The adjusted operating earnings so calculated will be compared to the following chart to determine if the amount is greater than the amount calculated per the Profit Sharing Plan.

Adjusted Operating Earnings	Lump Sum Payment (FF/SL)
< \$5.0 M	0
\$5.0 - \$10.0 M	\$0.8 M
\$10.0 - \$15.0 M	\$1.2 M
\$15.0 - \$20.0 M	\$1.8 M
> \$20.0 M	\$2.4 M

The Lump Sum Payment will be distributed in the same manner as outlined in points 1 and 2 above.

(signed) K. J. Entwistle
Industrial Relations Manager

(signed) R. A. Imrie
~~Staff~~ Representative
United Steelworkers of America

January 1, 1997

LETTER OF UNDERSTANDING • #8

To the Union:

RE: LONG-TERM ABSENTEEISM

Employees off work on Sick Benefit and/or Workers' Compensation will cease accruing regular and special vacations on being off work for twelve (12) months. Accrual of regular and special vacations will restart once an employee has returned to work on a full time basis for a minimum of three (3) months (accrual from date of return to work). It is understood that an employee will not be considered to have returned to work for the three (3) month period outlined above if, during the period in question, they are absent from work for any period of more than forty-eight (48) consecutive working hours related to the original injury or illness.

Regular Vacation - entitlements will be prorated in the year the accrual ceases after being off work for twelve (12) months, and also in the year the accrual restarts.

Special Vacation - the employee's special anniversary date will be delayed by the number of days lost due to sickness or injury in excess of 365.

Employees who are expected to be off work for extended periods and be affected by these provisions will be allowed to carry over regular and special vacation from year to year.

Effective April 8, 1994 an employee who has been off work for twelve (12) months or more will be required to retire provided he/she qualifies for an unreduced pension unless his/her physician, in consultation with a Company desig-

nated physician, determines that the employee should be able to return to work within a twelve (12) month period.

(signed) K. J. Entwistle
Industrial Relations Manager

(signed) R. A. Imrie
Staff Representative
United Steelworkers of America

January 1, 1997

LETTER OF UNDERSTANDING - #9

To the Union:

RE: HBM&S AS SECOND PAYER FOR DRUGS

It is agreed between the parties that the Company will continue to be the second payer for drugs as outlined in Article 12.04. That is, the Company will be responsible for paying for only the non-recoverable portion of eligible drug costs for regular participating status members and special participating group members.

It is understood between the parties that the Company will, retroactive to January 1, 1997, provide members with a vision care benefit so long as the cost of that benefit to the Company is offset by an equal amount of savings associated with not having to pay that portion of the drug costs borne by the Saskatchewan or Manitoba Governments. The vision care benefit shall be for the cost of prescription lenses, frames and contact lenses to a maximum of \$100 every twenty-four (24) months for eligible members.

For the purposes of this Letter of Understanding, the expression "savings associated with not having to pay that portion of the drug costs borne by the Saskatchewan or Manitoba Governments" shall be defined to mean the reduced Company costs that can be established as being solely attributable to the Company being the secondary rather than the primary payer for drugs covered under Article **12.04** (c) of the Collective Agreement (hereinafter referred to as "savings"). Savings shall include savings related to all bargaining and non-bargaining unit personnel (both active and retired), and the cost of the vision care benefits shall be based on the cost required to extend the benefit to all such bargaining and non-bargaining unit personnel (both active and retired).

The Company will review the savings that are available following each calendar quarter during the years **1997**, **1998** and **1999** to determine if there are sufficient savings available to provide the vision care benefit. Savings may be carried forward from quarter to quarter within a calendar year, but shall not be carried forward from one calendar year to the next.

Members will remit vision care claims direct to the carrier, Manitoba Blue Cross, who will in turn process and pay on a first in, first pay basis provided that the savings are available. If savings are not immediately available, the claims shall be accumulated again on a first in basis and processed and paid in that order provided savings become available within the calendar year.

It is further understood that there will be no obligation by the Company to purchase any additional benefits or to make any concessions related to any subsequent savings other than those set forth herein.

(signed) K. J. Entwistle
Industrial Relations Manager

(signed) R. A. Imrie
Staff Representative
United Steelworkers of America

IN THE MATTER OF THE

Canada Labour Code

- and -

United Steelworkers of America,

applicant
union.

- and -

Hudson Bay Mining and Smelting
Co., Ltd.,
Flin Flon, Manitoba.

employer.

WHEREAS the Canada Labour Relations Board has received from the applicant an application for certification as bargaining agent for a unit of employees of Hudson Bay Mining and Smelting Co., Ltd., pursuant to section 24 of the Canada Labour Code (Part I - Industrial Relations):

AND WHEREAS, following investigation of the application and consideration of the submissions of the parties concerned, the Board has found the applicant to be a trade union within the meaning of the Code and has determined the unit described hereunder to be appropriate for collective bargaining and is satisfied that a majority of the employees of the employer in the unit wish to have the applicant trade union represent them as their bargaining agent.

NOW, THEREFORE, it is ordered by the Canada Labour Relations Board that the United Steelworkers of America be and it is hereby certified to be the bargaining agent for a unit comprising:

All office (*1), clerical (*1), technical (*2) and security guard employees of Hudson Bay Mining and Smelting Co., Ltd. at and in the vicinity of Flin Flon, Manitoba (*3), excluding shift bosses/supervisors (*4) and persons above the rank of shift boss/supervisor, professional employees (*5 and *6), mine rescue coordinators, training coordinators (*7), fire chief, assistant fire chiefs, environmental technologists, contract coordinators, student trainees, persons covered by existing collective agreements, and persons employed in the Industrial Relations Department".

AND FURTHER, the aforementioned bargaining unit, for purposes of clarity, is accompanied by the attached Appendix A.

ISSUED at Ottawa, this 18th day of November 1993, by the Canada Labour Relations Board.


J.F.W. Weatherill
Chairman

APPENDIX A

The following clarifies the bargaining unit set out in Board Order 555-3595, dated November 18, 1993.

- *1. One clerk/clerical employee is deemed to be confidential and excluded from the bargaining unit in each of the following departments:
 - Department 10 - Namev Lake Mine
 - Department 10 - Trout Lake Mine
 - Department 10 - Callinan Mine
 - Department 11 - Snow Lake Mine
 - Department 11 - Snow Lake Mill
 - Department 30 --Zinc Plant
 - Department 40 - Smelter
 - Department 60 - Machine Shop
 - Department 70 - Environmental Services
 - Department 75 - Environmental Improvement Project
- *2. Individuals employed in the Information Technology Department are employed in a confidential capacity in relation to industrial relations except Information Technology Officers I, data entry operators, edit control operators and clerks.
- *3. This includes the respondent's mining properties near Namev Lake and Snow Lake, which are in the vicinity of Flin Flon, Manitoba.
- *4. This includes the process technology (group leaders in the Department of Process Technology (Department 88)).
- *5. With respect to accountants, individuals who:
 - (a) have completed 50% of the course requirements for a C.M.A., C.G.A., or C.A. designation and are actively enrolled in a course of study leading towards completion of the requirements for such designation; or
 - (b) individuals who have received a C.M.A., C.G.A. or C.A. designation;and who are performing the functions of an accountant employed in a professional capacity will be considered "professional employees".
- *6. With respect to professional engineers, individuals who:
 - (a) have completed 50% of the requirements for a Bachelor's or Master's degree in Engineering; or
 - (b) have completed such Engineering degree and are working to fulfil the practical requirements of the P. Eng designation; or
 - (c) are registered or eligible to be registered as P. Eng;and who are performing the functions of an engineer employed in a professional capacity will be considered "professional employees".
- *7. "Training co-ordinators" does not include individuals employed as Safety Training Assistants or First Aid Instructors

January 1, 1997

LETTER OF AGREEMENT

The parties agree to the following clarifications and changes to Appendix A to the Canada Labour Relations Board Order dated November 18, 1993:

1. With regard to the Information Technology Department referred to in 2. of Appendix A, it is agreed that the positions of Data Base Administrator and Technical Administrator will be excluded from the bargaining unit. It was agreed these positions would be removed from the bargaining unit after the Certification Order was given on November 18, 1993.

The parties further agree that the positions of Mine Watchman and Security Guard will be excluded from the bargaining unit. This was agreed at bargaining on September 14, 1994.

(signed) K. J. Entwistle
Industrial Relations Manager

(signed) R. A. Imrie
~~Staff~~ Representative
United Steelworkers of America

APPENDIX "B"

RIGHT TO REFUSE PROCEDURE

DEFINITION

A worker may refuse to perform work at a workplace where he has reasonable grounds to believe and does believe that the particular work is dangerous to his safety or health, or the safety and health of another worker or any other person.

STEP 1

An employee should contact his immediate supervisor immediately and explain the reasons why he/she believes that the task is dangerous.

STEP 2

A visual investigation should take place, at that point, between the immediate supervisor and the employee.

STEP 3

If satisfactory conclusion does not occur at Step 2, the incident will be recorded as a formal "right to refuse" and the appropriate documentation will be signed by the employee and the immediate supervisor, and the employee should be reassigned to another job, preferably in the immediate area, but must be available pending any further investigation.

STEP 4

A supervisor shall not assign or require any other worker to perform the particular work unless that worker has been informed by the first worker, or a Safety and Health Officer, of the worker's refusal to perform the work and the reasons thereof.

STEP5

If the situation cannot be resolved between the immediate supervisor and the employee, it is now referred to senior supervision, the appropriate Union Health and Safety representative and the Safety Department. It is understood that if the employee *so* desires, a Union steward will be made available.

STEP6

If the situation cannot be resolved, the situation may be referred to a Safety and Health Officer by any of the participating parties.

APPENDIX "C"

Office & Technical Salary Scale
January 1, 1997

	Develop (90%)		Accept (95%)		Full Perf (100%)	
	Mthly	Hrly	Mthly	Hrly	Mthly	Hrly
C 440	\$4,348	\$25.085	\$4,589	\$28.475	\$4,831	\$27.871
C 435	\$4,115	\$23.740	\$4,343	\$25.056	\$4,572	\$26.377
C 430	\$3,895	\$22.471	\$4,112	\$23.723	\$4,328	\$24.969
C 320	\$3,490	\$20.135	\$3,684	\$21.254	\$3,878	\$22.373
C 310	\$3,127	\$18.040	\$3,300	\$19.038	\$3,474	\$20.042
B 240	\$2,803	\$16.171	\$2,958	\$17.065	\$3,114	\$17.965
B 230	\$2,510	\$14.481	\$2,650	\$15.288	\$2,789	\$16.090
B 120	\$2,433	\$14.037	\$2,568	\$14.815	\$2,703	\$15.594
B 110	\$2,354	\$13.581	\$2,485	\$14.337	\$2,616	\$15.092

January 1, 1998

	Develop (90%)		Accept (95%)		Full Perf (100%)	
	Mthly	Hrly	Mthly	Hrly	Mthly	Hrly
C 440	\$4,478	\$25.835	\$4,727	\$27.271	\$4,978	\$28.708
C 435	\$4,238	\$24.450	\$4,474	\$25.812	\$4,709	\$27.167
C 430	\$4,012	\$23.146	\$4,235	\$24.433	\$4,458	\$25.719
C 320	\$3,595	\$20.740	\$3,794	\$21.888	\$3,994	\$23.042
C 310	\$3,220	\$18.577	\$3,399	\$19.810	\$3,578	\$20.642
B 240	\$2,888	\$16.650	\$3,047	\$17.579	\$3,207	\$18.502
B 230	\$2,588	\$14.919	\$2,729	\$15.744	\$2,873	\$16.575
B 120	\$2,508	\$14.458	\$2,645	\$15.260	\$2,784	\$16.062
B 110	\$2,425	\$13.990	\$2,559	\$14.763	\$2,694	\$15.542

January 1, 1999

	Develop (90%)		Accept (95%)		Full Perf (100%)	
	Mthly	Hrly	Mthly	Hrly	Mthly	Hrly
C 440	\$4,613	\$28.613	\$4,869	\$28.090	\$5,125	\$29.567
C 435	\$4,365	\$25.183	\$4,608	\$26.585	\$4,850	\$27.981
C 430	\$4,133	\$23.844	\$4,362	\$25.165	\$4,592	\$26.492
C 320	\$3,703	\$21.363	\$3,908	\$22.546	\$4,114	\$23.735
C 310	\$3,317	\$19.137	\$3,501	\$20.198	\$3,685	\$21.260
B 240	\$2,973	\$17.152	\$3,138	\$18.104	\$3,303	\$19.056
B 230	\$2,663	\$15.363	\$2,811	\$16.217	\$2,959	\$17.071
B 120	\$2,561	\$14.890	\$2,725	\$15.721	\$2,868	\$16.546
B 110	\$2,498	\$14.412	\$2,636	\$15.208	\$2,775	\$16.010

EXECUTED at Flin Flon, Manitoba this **12th** day of
September, 1997

HUDSON BAY MINING AND SMELTING CO., LIMITED

Per: _____
L.W. Kruger - President and Chief Executive Officer

K.J. Entwistle - Industrial Relations Manager

Per: _____
D.W. Nisbet - Director of Quality Assurance and Training

UNITED STEELWORKERS OF AMERICA, LOCAL
UNION No. 9338

Per: _____
T. Brown - President

Per: _____
S. Andreychuk - Treasurer

L. Hinzman - Financial Secretary

Per: _____
J. McIntyre - Recording Secretary

Per: _____
B. McLean - Guide

UNITED STEELWORKERS OF AMERICA

Per: _____
R.A. Imrie - Staff Representative.



Employee & Family Assistance Program

For Personal Assistance Contact:

Flin Flon & District Assessment and Referral Service
Garry Nelson, Co-ordinator

18 North Avenue

Flin Flon, MB R8A 0T2

Telephone: (204) 687-4865/4876

Fax: (204) 687-3140

*"Committed to employees,
families and our community."*