



# **COLLECTIVE AGREEMENT**

**BETWEEN  
IPSCO INC.  
AND**

**SHOPMENS LOCAL UNION NO. 805  
OF THE INTERNATIONAL ASSOCIATION  
OF BRIDGE, STRUCTURAL,  
ORNAMENTAL AND REINFORCING  
IRON WORKERS  
(Affiliated with the AFL-CIO, CLC)**



**RED DEER, ALBERTA**

**Effective January 1, 2008  
to December 31, 2012**

11631(04)

Received from IPSCO Inc., one copy of the agreement with the Shopmen's Local Union No. 805 of the International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers covering the period January 1, 2008 to December 31, 2012.

Date RECEIVED  
JUN 02 2009

\_\_\_\_\_  
(Employee's Signature)

\_\_\_\_\_  
Name (Please Print)

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## INDEX

Page

Agreement.....	3
Purpose of Agreement.....	3
Section 1 – Bargaining Unit.....	3
Section 2 – International Not a Party to Agreement ...	4
Section 3 – Union Recognition.....	4
Section 4 – Union Membership .....	5
Section 5 – Check-Off of Union Dues – Initiation And / or Reinstatement Fees.....	6
Section 6 – Management Prerogatives – Shop Rules Fees.....	7
Section 7 – Hours of Work.....	8
Section 8 – Overtime.....	9
Section 9 – Holidays and Holiday Pay.....	11
Section 10 – Wages and Premiums.....	13
Section 11 – Pay Days.....	26
Section 12 – Reporting and Call-Out Pay.....	27
Section 13 – Vacations.....	28
Section 14 – Welfare Benefits.....	29
Section 15 – Erection and Field Fabrication.....	36
Section 16 – Apprentices.....	36
Section 17 – Seniority .....	36
Section 18 – Leave of Absence .....	42
Section 19 – Grievance Procedure.....	45
Section 20 – Arbitration.....	48

Section 21 – Strikes and Lockouts .....	49
Section 22 – Plant Visitation.....	50
Section 23 – Bulletin Boards.....	50
Section 24 – Safety and Health .....	50
Section 25 – Saving Clause.....	52
Section 26 – Interim Amendment .....	52
Section 27 – Term of Agreement .....	54

**Letters of Understanding:**

• Shift Schedules .....	55
• Sixth – Seventh Work Day .....	56
• Medical Letter .....	57
• Ironworkers Shopmen’s Pension Plan.....	58
• Permanent Shutdown.....	59
• Non-Standard Shift Schedules .....	60
• Plant Closure.....	69

**Memorandum of Agreement**

• Skills Upgrading Plan .....	70
-------------------------------	----

# COLLECTIVE AGREEMENT

THIS AGREEMENT, executed and effective as of the 1st day of January, 2008 will continue in effect through December 31, 2012 by, and between IPSCO INC., PO. Box 593, Central Park, RED DEER, Alberta, T4N 5G6, (hereinafter referred to as the 'Company'), and SHOPMEN'S LOCAL UNION NO. 805 of the INTERNATIONAL ASSOCIATION OF BRIDGE, STRUCTURAL, ORNAMENTAL AND REINFORCING IRON WORKERS (affiliated with the AFL-CIO, CLC) (hereinafter referred to as the "Union").

## **PURPOSE OF AGREEMENT**

Whereas the parties agree that it is mutually beneficial and desirable to arrange and maintain fair and equitable earnings, labour standards, wage rates and working conditions to obtain efficient operations, to protect the safety and health of employees and to provide machinery for the adjustment of disputes which may arise between the parties hereto. Therefore, the Company and the Union agree as follows:

## **BARGAINING UNIT:**

### **SECTION 1**

- (A) The terms and conditions set forth in this Agreement shall have full force and effect for all employees in the bargaining unit as described in Section 3.
- (B) Persons whose regular jobs are not in the bargaining unit, shall not work on any jobs which

are included in the bargaining unit except for purposes of instruction or in emergencies when bargaining unit employees are not available or for the purpose of experimenting when bargaining unit employee(s) are present to observe or assist.

## **INTERNATIONAL NOT A PARTY TO AGREEMENT**

### **SECTION 2**

The International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers, the parent body of the Union (hereinafter referred to as the "International"), is not a party to this Agreement and assumes no responsibility or liability under this Agreement and similarly shall have no right of redress thereunder, against the Company for the breach hereof.

## **UNION RECOGNITION:**

### **SECTION 3**

- (A) The Company recognizes the Union as the exclusive bargaining agent for all employees of the Company employed in or around the City of Red Deer, Alberta, except office and clerical employees, sales employees and those exercising managerial functions or employed in a confidential capacity in matters relating to labour relations.
  
- (B) All reference to employees in this Agreement designates both sexes and whenever the male gender is used, it shall be construed to include both male and female employees.

## **UNION MEMBERSHIP:**

### **SECTION 4**

- (A) Each of the Company's employees to whom this Agreement is applicable, as defined in Section 3 hereof, shall, as a condition of employment, be or become a member of the Union not later than the thirtieth (30th) day following the effective date of this Agreement, or not later than the thirtieth (30th) day following the beginning of his employment, whichever is the later. Each employee shall, as a condition of continued employment, remain a member of the Union in good standing in accordance with its Constitution and By-Laws.
- (B) If, upon receipt of a written notice from the Union office that an employee has not acquired membership in the Union, or has not maintained his membership in good standing therein as provided for in this Section, and if then the Business Manager of the Union provides the Company with written instructions to do so, the Company shall discharge such employee and such employee shall not be re-employed during the life of this Agreement unless or until he complies with the provisions of this Section. The Union shall and hereby does indemnify, and agrees to defend and hold the Company harmless against any and all claims, demands or suits that shall rise by reason of this action taken by the Company in reliance upon such written instructions.
- (C) The Company shall give each newly hired employee and each person rehired or recalled from layoff, a form showing the job classification

for which such person has been employed, his straight time hourly rate and social insurance number. For each such new or former employee, the Company shall provide one (1) copy of the above mentioned form to the Chief Shop Steward.

- (D) On the date each new employee is hired, the Company shall submit to such employee an application, in duplicate, for membership in the Union and a Check-Off Authorization which shall be signed by such employee. The duplicate copies of the application for membership and a copy of the Check-Off Authorization shall be promptly transmitted to the Union.

**CHECK-OFF OF UNION DUES - INITIATION AND/  
OR REINSTATEMENT FEES:**

**SECTION 5**

It shall be mandatory that each employee of the Company who is a member of the Union, sign and deliver to the Company, an authorization directing the Company to withhold from such employee's earnings, Union Dues, Initiation and/or Reinstatement Fees, as hereinafter provided for in this Section. Upon receipt thereof, the Company shall deduct from such employee's earnings, on the first pay day in each month, the amount owed to the Union by each such employee for Union Dues, Initiation and/or Reinstatement Fees. However, should any such employee have no earnings due to him on the first pay day in any month or should such employee's earnings be less than the amount such employee owes the Union for dues, then in that event, the deduction shall be made from the employee's earnings on the next succeeding pay day on which his earnings are sufficient to cover the amount of dues



owed to the Union by such employee. By the twenty-sixth (26th) day of the current month, the Company shall mail to the Financial Secretary of the Union, a cheque, made payable to the Union, for the amount of Dues, Initiation and/or Reinstatement Fees the Company has withheld during such month, which shall be accompanied by a list, in duplicate, containing the names of the employee and the amount deducted from each such employee's earnings. Upon receipt of such cheque and list, said Financial Secretary of the Union shall sign one (1) copy of such list, acknowledging receipt thereof, and promptly return such signed list to the Company. The Union will notify the Company in writing as to the amount of the monthly Union Dues, Initiation and/or Reinstatement Fees as provided for in the Local Union By-Laws.

**MANAGEMENT PREROGATIVES - SHOP RULES FEES:**

**SECTION 6**

- (A) The Union recognizes that it is the function of Management to manage the affairs of the business and to direct the working forces of the Company, subject to the terms of this Agreement.
- (B) Such management function shall be:
  - (1) To determine the products and schedules of production, the locations of production, the methods and sequence of manufacturing processes.
  - (2) To maintain discipline of employees, including the right to make reasonable rules and regulations, provided however,

that any dispute as to the reasonableness of such rules and regulations or any dispute involving claims of discrimination against any employee in the application of such rules and regulations shall be subject to the grievance procedure of this Agreement.

- (3) To discharge, suspend or discipline employees for just and reasonable cause, and also hire, transfer, promote, demote and to assign employees to shifts.
  
- (C) Formal verbal and written warnings shall be given to the employee with a Union representative present. Any warning and/or penalty (excluding dismissal) shall be cleared from an employee's record after a period of twelve (12) months following the date of the infraction. Nevertheless, progressive discipline always proceeds from the level of the last penalty less than twelve (12) months old imposed for the same offense.

## **HOURS OF WORK:**

### **SECTION 7**

- (A) Hours of work and determination of shift schedules will be established solely by the Company.
  
- (B) A shift starting on or after 6:00 p.m. but before 6:00 a.m., is a first (or night) shift.
  
- (C) A shift starting on or after 6:00 a.m. but before 10:00 a.m., is a second (or day) shift.

- (D) A shift starting on or after 10:00 a.m. but before 6:00 p.m. is a third (or afternoon) shift.
- (E) Day of Shift - a shift shall be considered as worked on the calendar day on which it begins, with the exception of the first (or night) shift which could begin during the evening before.
- (F) (1) On continuous shift operations, employees may be granted a twenty (20) minute lunch period paid for by the Company.
- (2) Non-continuous Lunch Break - day and afternoon shift employees on non-continuous operations may be allowed one-half (1/2) hour for lunch without pay.
- (G) When two (2) or more shifts are in effect, the Company shall rotate those shifts.

## **OVERTIME:**

### **SECTION 8**

- (A) The Company shall give notice of overtime as far in advance as is practical and such work shall be considered as scheduled.
- (B) **HOURS WORKED IN EXCESS OF EIGHT (8):**  
The Company shall pay an employee one and one-half (1-1/2) times his standard hourly rate for all hours he is required to work over eight (8) hours a day.
- (C) **HOURS WORKED IN EXCESS OF TEN (10):**  
The Company shall pay an employee two (2) times his standard hourly rate for all hours he is required to work over ten (10) hours a day.

- (D) **SATURDAYS & SUNDAYS:** Where the work of an employee begins on Monday (the work week being from Monday to Friday), the Company shall pay one and one-half (1-1/2) times the standard hourly rate for all work performed on Saturday and two (2) times the standard hourly rate for all work performed on Sunday.
- (E) **SIXTH OR SEVENTH DAYS:** Where the work week (a five (5) day work week) of an employee begins on a day other than Monday, the Company shall pay one and one-half (1-1/2) times the standard hourly rate for all work performed on the sixth day of his work week, and two (2) times the standard hourly rate for all work performed on the seventh day of his work week.
- (F) **SCHEDULED DAYS OFF:** Should an employee be scheduled to work overtime on his scheduled days off, for shift schedules greater than five (5) days, he shall be paid as follows:
- (1) For all hours worked on his first scheduled day off - one and one-half (1-1/2) times his standard hourly rate.
  - (2) For all hours worked on his second, third and fourth scheduled days off - two (2) times his standard hourly rate.
- (G) **SHIFT CHANGES:** An employee who is required to change shifts shall do so for his standard hourly rate provided he has not worked more than twenty (20) days in any twenty-eight (28) day period (for eight (8) hour shifts), or worked more than twenty (20) days in any thirty (30) day period (for eight (8) hour and thirty-five (35)

minute shifts). Hours worked in excess of the above shall be paid at the applicable overtime rates.

- (H) **EXCHANGING SHIFTS:** Employees may exchange shifts with other employees upon approval of their Supervisor and they shall receive straight time pay for the changed shifts.
- (I) **PYRAMIDING:** There shall be no pyramiding of overtime in the calculation of overtime pay and no employee shall be entitled to more than his standard hourly rate plus applicable overtime payment in accordance with hours worked.
- (J) **OVERTIME DISTRIBUTION:** The Company shall attempt to rotate and spread overtime work as evenly as possible among the qualified employees. Employees wishing to be called in for overtime shall record their names weekly in an overtime book provided for such purpose by the Company. This in no way jeopardizes the Company's right to schedule overtime.

## **HOLIDAYS AND HOLIDAY PAY:**

### **SECTION 9**

- (A) The following shall be recognized as statutory holidays:

- |                   |                     |
|-------------------|---------------------|
| 1. New Year's Day | 7. Labour Day       |
| 2. Family Day     | 8. Thanksgiving Day |
| 3. Good Friday    | 9. Remembrance Day  |
| 4. Victoria Day   | 10. Christmas Day   |
| 5. Canada Day     | 11. Boxing Day      |
| 6. Civic Holiday  | 12. New Year's Eve  |

The observance of the holidays may be transferred by mutual agreement to other days than the date proclaimed or provided above.

- (B) Each employee shall receive his standard hourly rate of pay for eight (8) hours for each of the above-named holidays, if eligible.
- (C) Employees must meet all of the following eligibility rules to qualify for payment of statutory holidays:
  - (1) The employee has worked for thirty (30) days or more during the preceding twelve (12) months.
  - (2) The employee must have worked a minimum of eight (8) hours his last scheduled working day prior to, and his next scheduled working day after such holiday within the employee's scheduled work week, unless the absence is the result of an approved leave of absence.
- (D) **WORKING PAID HOLIDAYS:** An employee required to work on any of the above-named holidays shall be paid at the rate of two (2) times his standard hourly rate in addition to his pay for the previous named holidays.
- (E) In the event that one or more of the above-named holidays occurs during the employee's vacation, he shall be paid such holiday(s) and the additional days will be added to his vacation time.

- (F) Should any of the above mentioned holidays fall on an employee's scheduled day off, he shall be granted one (1) extra day without pay on his annual vacation.
- (G) Where a paid holiday falls on a scheduled shift, an employee may request that day off, providing application is made at least seventy-two (72) hours in advance of the holiday. The Company will advise when paid holidays are to be worked at least seventy-two (72) hours in advance of the holiday, except in cases of unforeseen circumstances.

## **WAGES AND PREMIUMS**

### **SECTION 10**

- (A) **Standard Hourly Wage Tables:** The following positions are reclassified upwards effective January 1,2008:
- i. Mill Crew
  - ii. Threading Mill Maintenance Operator
  - iii. Threading Mill Lead Hand
  - iv. Threading Mill Operator 1

The new rates for these positions are reflected in the following wage tables.

- (B) Effective January 1, 2008, the changes described on page 15 will be made to the Standard Hourly Wage Table.

Effective January 1, 2009, the Standard Hourly Wage Table will be increased by 4%, as described on page 16.

Effective January 1, 2010, the Standard Hourly Wage Table will be increased by 3%, as described on page 17.

Effective January 1, 2011, the Standard Hourly Wage Table will be increased by 4%, as described on page 18.

Effective January 1, 2012, the Standard Hourly Wage Table will be increased by 4%, as described on page 19.



Section 10 – Standard Hourly Wage Table

EFFECTIVE JANUARY 1<sup>ST</sup>, 2008

Classification Title	Standard Wage	Training and Familiarization Wage
Vice-Foreman (Production)	28.91	
Vice-Foreman (Maintenance)	28.49	
Vice Foreman (Other)	27.66	
Tradesman 2	28.08	26.31 (first 480 hours) 27.35 (second 480 hours)
Electrical Engineering Technologist	28.08	26.31 (first 480 hours) 27.35 (second 480 hours)
Mill Lead Hand	27.25	
Mill Operator	26.83	24.34 (first 1,040 hours) 25.38 (second 1,040 hours)
Tradesmen 1	26.85	25.81 (480 hours)
Threading Mill Maintenance Operator	28.08	26.31 (first 480 hours) 27.35 (second 480 hours)
Maintenance Operator 3	26.44	
Maintenance Operator 2	23.48	
Maintenance Operator 1	22.29	21.77 (1,040 hours)
Threading Mill Lead Hand	27.25	26.21 (first 1,040 hours) 26.73 (second 1,040 hours)
Finishing Lead Hand	23.54	
NDT Operator	23.54	23.02 (1,040 hours)
Yard Lead Hand	23.12	
Threading Mill Operator 2	22.71	22.19 (1,040 hours)
Mill Crew	23.12	22.60 (1,040 hours)
Final Inspector	22.29	21.77 (1,040 hours)
Yard Equipment Operator	22.29	21.77 (1,040 hours)
Finishing Operator	21.46	20.94 (1,040 hours)
Threading Mill Operator 1	21.46	20.94 (1,040 hours)
Shipping Crew	20.63	
Probationary Rate		16.56 (480 hours)

A tradesman who possesses more than one valid Journeyman license required by the Company will be paid the Tradesman 2 rate providing they are willing to work in both trades as and when required.

Section 10 – Standard Hourly Wage Table:

EFFECTIVE JANUARY 1<sup>ST</sup>, 2009

Classification Title	Standard Wage	Training and Familiarization Wage
Vice-Foreman (Production)	30.07	
Vice-Foreman (Maintenance)	29.63	
Vice Foreman (Other)	28.77	
Tradesman 2	29.20	27.36 (first 480 hours) 28.45 (second 480 hours)
Electrical Engineering Technologist	29.20	27.36 (first 480 hours) 28.45 (second 480 hours)
Mill Lead Hand	28.34	
Mill Operator	27.91	25.31 (first 1,040 hours) 26.39 (second 1,040 hours)
Tradesmen 1	27.93	26.85 (480 hours)
Threading Mill Maintenance Operator	29.20	27.36 (first 480 hours) 28.45 (second 480 hours)
Maintenance Operator 3	<del>27.49</del>	
Maintenance Operator 2	<del>24.42</del>	
Maintenance Operator 1	<del>23.18</del>	22.64 (1,040 hours)
Threading Mill Lead Hand	<del>28.94</del>	27.26 (first 1,040 hours) 27.80 (second 1,040 hours)
Finishing Lead Hand	24.48	
NDT Operator	24.48	23.94 (1,040 hours)
Yard Lead Hand	24.04	
Threading Mill Operator 2	23.62	23.08 (1,040 hours)
Mill Crew	24.04	23.50 (1,040 hours)
Final Inspector	23.18	22.64 (1,040 hours)
Yard Equipment Operator	23.18	22.64 (1,040 hours)
Finishing Operator	22.31	21.77 (1,040 hours)
Threading Mill Operator 1	22.31	21.77 (1,040 hours)
Shipping Crew	21.46	
Yard Crew	20.62	
Probationary Rate		17.22 (480 hours)

A tradesman who possesses more than one valid Journeyman license required by the Company will be paid the Tradesman 2 rate providing they are willing to work in both trades as and when required.

Section 10 – Standard Hourly Wage Table:  
EFFECTIVE JANUARY 1<sup>ST</sup>, 2010

Classification Title	Standard Wage	Training and Familiarization Wage
Vice-Foreman (Production)	30.97	
Vice-Foreman (Maintenance)	30.51	
Vice Foreman (Other)	29.63	
Tradesman 2	30.08	28.19 (first 480 hours) 29.30 (second 480 hours)
Electrical Engineering Technologist	30.08	28.19 (first 480 hours) 29.30 (second 480 hours)
Mill Lead Hand	29.19	
Mill Operator	28.74	26.07 (first 1,040 hours) 27.18 (second 1,040 hours)
Tradesmen 1	28.76	27.65 (480 hours)
Threading Mill Maintenance Operator	30.08	28.19 (first 480 hours) 29.30 (second 480 hours)
Maintenance Operator 3	28.32	
Maintenance Operator 2	25.16	
Maintenance Operator 1	23.87	23.32 (1,040 hours)
Threading Mill Lead Hand	29.19	28.07 (first 1,040 hours) 28.63 (second 1,040 hours)
Finishing Lead Hand	25.21	
NDT Operator	25.21	24.65 (1,040 hours)
Yard Lead Hand	24.77	
Threading Mill Operator 2	24.33	23.77 (1,040 hours)
Mill Crew	24.77	24.21 (1,040 hours)
Final Inspector	23.87	23.32 (1,040 hours)
Yard Equipment Operator	23.87	23.32 (1,040 hours)
Finishing Operator	22.98	22.43 (1,040 hours)
Threading Mill Operator 1	22.98	22.43 (1,040 hours)
Shipping Crew	22.10	
Yard Crew	21.23	
Probationary Rate		17.74 (480 hours)

A tradesman who possesses more than one valid Journeyman license required by the Company will be paid the Tradesman 2 rate providing they are willing to work in both trades as and when required.

Section 10 – Standard Hourly Wage Table:

EFFECTIVE JANUARY 1<sup>ST</sup>, 2011

Classification Title	Standard Wage	Training and Familiarization Wage
Vice-Foreman (Production)	32.21	
Vice-Foreman (Maintenance)	31.73	
Vice Foreman (Other)	30.82	
Tradesman 2	31.28	29.31 (first 480 hours) 30.47 (second 480 hours)
Electrical Engineering Technologist	31.28	29.31 (first 480 hours) 30.47 (second 480 hours)
Mill Lead Hand	30.36	
Mill Operator	29.89	27.11 (first 1,040 hours) 28.27 (second 1,040 hours)
Tradesmen 1	29.92	28.76 (480 hours)
Threading Mill Maintenance Operator	31.28	29.31 (first 480 hours) 30.47 (second 480 hours)
Maintenance Operator 3	29.45	
Maintenance Operator 2	26.16	
Maintenance Operator 1	24.83	24.25 (1,040 hours)
Threading Mill Lead Hand	30.36	29.20 (first 1,040 hours) 29.78 (second 1,040 hours)
Finishing Lead Hand	26.22	
NDT Operator	26.22	25.64 (1,040 hours)
Yard Lead Hand	25.76	
Threading Mill Operator 2	25.30	24.72 (1,040 hours)
Mill Crew	25.76	25.18 (1,040 hours)
Final Inspector	24.83	24.25 (1,040 hours)
Yard Equipment Operator	24.83	24.25 (1,040 hours)
Finishing Operator	23.90	23.32 (1,040 hours)
Threading Mill Operator 1	23.90	23.32 (1,040 hours)
Shipping Crew	22.99	
Yard Crew	22.08	
Probationary Rate		18.45 (480 hours)

A tradesman who possesses more than one valid Journeyman license required by the Company will be paid the Tradesman 2 rate providing they are willing to work in both trades as and when required.

Section 10 – Standard Hourly Wage Table:  
EFFECTIVE JANUARY 1<sup>ST</sup>, 2012

Classification Title	Standard Wage	Training and Familiarization Wage
Vice-Foreman (Production)	33.50	
Vice-Foreman (Maintenance)	33.00	
Vice Foreman (Other)	32.05	
Tradesman 2	32.53	30.49 (first 480 hours) 31.69 (second 480 hours)
Electrical Engineering Technologist	32.53	30.49 (first 480 hours) 31.69 (second 480 hours)
Mill Lead Hand	31.57	
Mill Operator	31.09	28.20 (first 1,040 hours) 29.40 (second 1,040 hours)
Tradesmen 1	31.11	29.91 (480 hours)
Threading Mill Maintenance Operator	32.53	30.49 (first 480 hours) 31.69 (second 480 hours)
Maintenance Operator 3	30.63	
Maintenance Operator 2	27.21	
Maintenance Operator 1	25.82	25.22 (1,040 hours)
Threading Mill Lead Hand	31.57	30.36 (first 1,040 hours) 30.97 (second 1,040 hours)
Finishing Lead Hand	27.27	
NDT Operator	27.27	26.67 (1,040 hours)
Yard Lead Hand	26.79	
Threading Mill Operator 2	26.32	25.71 (1,040 hours)
Mill Crew	26.79	26.18 (1,040 hours)
Final Inspector	25.82	25.22 (1,040 hours)
Yard Equipment Operator	25.82	25.22 (1,040 hours)
Finishing Operator	24.86	24.26 (1,040 hours)
Threading Mill Operator 1	24.86	24.26 (1,040 hours)
Shipping Crew	23.91	
Yard Crew	22.97	
Probationary Rate		19.18 (480 hours)

A tradesman who possesses more than one valid Journeyman license required by the Company will be paid the Tradesman 2 rate providing they are willing to work in both trades as and when required.

- (C) Effective January 1, 2010, a one thousand dollar (\$1,000.00) lump sum cash bonus, less the minimum amount of withholdings required by statute, will be paid to all employees active on the seniority list who have completed at least 750 hours of work in the previous twelve (12) consecutive calendar months. For those employees who have worked less than 750 hours in the twelve months prior to payment, the bonus will be pro-rated accordingly.
- (D) **BONUS PLAN:** Employees shall be eligible to participate in the profit sharing plan, if on the last day of a quarter an employee maintains a seniority standing with the Company or if an employee does not maintain a seniority standing with the Company, on the last day of a quarter he will still be eligible to participate in the profit sharing plan if:
- (a) the employee became deceased;
  - (b) the employee retired;
  - (c) the employee resigned and submitted a written notice of resignation to the Company at least two (2) weeks prior to the effective date of the employee's resignation; or
  - (d) the employee is regarded as probationary.

Employees who do not maintain a seniority standing with the Company on the last day of a quarter (except for the reasons noted above) will not be eligible to participate in the profit sharing plan.

Employees shall be eligible to participate in a profit sharing plan that will provide a maximum of five dollars and fifty (\$5.50) cents per straight time hours worked based upon IPSCO Inc.'s profitability on a quarterly basis.

The bonus will only be paid if IPSCO Inc.'s profit for the quarter is greater than two and one-half percent (2½%) return on IPSCO Inc. equity (ROE). If the profit for the quarter expressed as a return on IPSCO Inc. equity is 16.9% or greater, then the maximum five dollars and fifty (\$5.50) cents will be paid. The bonus will be paid on a sliding scale from one cent (\$0.01) to five dollars and fifty (\$5.50) cents.

The corresponding dollar amounts to the ROE will be announced near the start of each year for the forthcoming year, but as outlined above, the Plan will operate on a quarterly basis.

(E) Red Deer Performance Enhancement Plan (PEP)

Effective January 1, 2008 Red Deer employees covered by the Collective Agreement will no longer be eligible to participate in the IPSCO Employee Sharing Profits (ESP) Plan. Instead, those employees will participate in and be covered by the Red Deer Performance Enhancement Plan (PEP) described below.

1. General

The Red Deer PEP will consist of four major components:

- a) Productivity - The calculation of the productivity component of PEP will be locked in at noon on the 24<sup>th</sup> of the month

following the month being measured, and will be paid out within 7 business days following the lock-in date.

- b) Quality - After the completion of each quarter, and after the Joint Company/ Union Committee has determined the number of quality claims that will result in a reduction in the quarterly incentive, the reduction will be made at each month end in the following quarter.
- c) Safety - The Safety component of PEP will be calculated quarterly and will be paid with the following month's PEP payment.
- d) Attendance - The Attendance component of PEP will be calculated quarterly and will be paid with the following month's PEP payment.

All Union hourly employees at the Red Deer Works who have successfully completed the probationary period will participate in the PEP. The hours accumulated in the period being measured are the sum of all hours worked by an employee in the period. [Straight time hours worked, vacation hours taken, statutory holiday hours and overtime hours based on regular hour equivalent.] The PEP payments will be made to active employees who have maintained their seniority standing at the end of the period being measured. Employees who die or who retire at normal retirement age will receive a PEP payment based on hours worked during the period being measured.



The PEP has been developed taking into consideration current operating conditions and technologies at the Red Deer plant. These operating conditions may change in the future, as technological advances are made and new methods, equipment and technologies are introduced. As these changes are introduced, modifications to the PEP may be required. However, no changes will be made to the PEP productivity targets until the technological changes, new methods, equipment or technologies that are causing the targets to change have been operationally proven and have been reviewed with the Union.

## 2. Performance Enhancement Plan:

a) Productivity Incentive – The hourly rate for the productivity incentive will be a function of the performance of the entire Red Deer facility. The incentive will be based on a combined performance number derived from the performance of the ERW weld line, the ERW finishing line, and the threading line as follows:

- Overall ERW weld line performance%:  $\frac{\text{Actual prime intended welded tons per hour}}{\text{target prime intended welded tons per hour}}$ .
- Overall ERW finishing line performance %:  $\frac{\text{Number of pieces per hour handled}}{\text{target number of pieces handled per hour}}$ . (Target number adjusted based on number of workers on the line compared to the ten actual positions, and will be verified by the payroll system.)
- Overall threading line performance %:  $\frac{\text{Number of pieces per hour handled}}{\text{target number of pieces per hour handled}}$ .

- Combined overall performance % equals \$'s per hour paid monthly.
- Payout:
  - o Combined overall Performance equal to or less than 80% = \$0.00/hr
  - o Each combined overall performance point above 80% = \$0.18/hr

For example: (Using 2007 Actual Performance)

Line	Quarter 1	Quarter 2	Quarter 3
ERW Weld Line	103.4	105.6	100.3
ERW Finishing	97.9	105.5	100.3
Thread Line	76.4	81.8	99.9
Combined Performance	92.6%	97.6%	100.2%
Payout for the Quarter	\$2.26	\$3.17	\$3.63

Note: All percentages are rounded to the nearest tenth (0.1%).

**b) Quality (Customer Claims)** – An investigation by a joint Union/Company committee will be conducted into each claim paid to customers relating to product originating from the Red Deer Works. Where the source of the problem leading to the claim is attributable to a quality shortfall at the Red Deer plant, the quarterly incentive will be reduced by the following schedule:

- Claims of \$10,000 or more will be considered major claims.
- Claims greater than \$500 but less than \$10,000 will be considered minor claims.
- Claims less than \$500 will not be considered but will also be subject to review by the committee.

Major Claim:        minus \$0.30/hour

Minor Claim:        minus \$0.10/hour

c) Safety Incentive – The hourly rate applied to the safety incentive is a function of the Red Deer facility accident frequency rate in each quarter compared to the Red Deer target for the year as determined annually by IPSCO's Corporate Safety Department.

Payout:

- Quarterly Accident Frequency Rate > Red Deer Target: \$0.00/hr
- Quarterly Accident Frequency Rate < Red Deer Target: \$0.25/hr

Note: Accidents will affect only the quarter that they are classified in and not when the accident occurred.

	Quarter 1	Quarter2	Quarter3
Accident Frequency	2.7	0.0	0.0
2007 Target	4.5	4.5	4.5
Payout for the Quarter	\$0.25/hour	\$0.25/hour	\$0.25/hour

---

Payout:

- Perfect Attendance \$0.25/hr
- 1 Occurrence \$0.15/hr
- 2 or More Occurrences \$0.00/hr

Note: An occurrence would be the failure to report to work on time, leaving early or absence due to illness that has been properly reported to the Company as per IPSCO rules and

regulations. If an employee does not follow the IPSCO rules for reporting absenteeism, this will be considered 2 occurrences. The following types of absenteeism are not considered occurrences for the purpose of this attendance incentive:

- Approved vacation
- Approved leave of absence per Section 18 of the CBA
- Health appointments that have been prearranged with the employee's foreman (The employee will be expected to work the balance of the shift before and/or after their appointment).

**(F) SHIFT PREMIUMS:**

(1) A shift premium of forty (\$0.40) cents additional to the standard hourly rate shall be paid to each employee for hours worked during a third (or afternoon) shift and forty-five (\$0.45) cents for hours worked during a first (or night) shift.

(2) A Sunday premium of one dollar and twenty-five cents (\$1.25) additional to the standard hourly rate shall be paid to each employee for all straight time hours worked during the twenty-four (24) hour period beginning at the start of the regularly scheduled shift on Sunday.

**PAYDAYS:**

**SECTION 11**

Employees shall be paid on a regular designated pay day every *two* (2) weeks by direct deposit into their account. When an employee is discharged, he shall be paid in full within the time period specified by the Alberta Labour Code.

## REPORTING AND CALL-OUT PAW

### SECTION 12

- (A) Any employee who is scheduled or required to and does report to work on any day and is not put to work for at least four (4) hours shall be paid at the applicable rate for four (4) hours actual work on that day, except where failure to put such employee to work is occasioned by non-operation of the plant, or a substantial part thereof, as a result of fire, Act of God, failure of power or major breakdown of equipment.
- (B) **CALL-OUT PAY:** An employee who is recalled to work prior to the start of his regular shift shall be paid double his regular straight time hourly rate for all hours worked on recall up to the starting time of his scheduled shift. If an employee's regular shift does not commence immediately following completion of the overtime period, he shall receive a minimum of four (4) hours pay at regular straight time rates.
- (C) An employee who is injured during his hours of employment and who requires the care of a doctor shall be paid any remaining scheduled regular and overtime hours on the day of the injury regardless of whether or not he is able to return to work. If such employee on any subsequent day visits a doctor for treatment of this injury he shall be paid for regular time lost thereby.

## VACATIONS:

### SECTION 13

- (A) The vacation year will be defined as the period from May 1st of the previous year to April 30th of the current year.
- (B) Vacation pay for an employee with less than one (1) year of service shall be four (4%) percent of his gross earnings to April 30th of the current vacation year. Vacation pay for employees entitled to three (3) week and four (4) week vacations shall be based on six (6%) percent or eight (8%) percent respectively of their gross earnings in the previous vacation year.
- (C) For employees originally re-called to IPSCO Inc., from Ram Steel Corporation Ltd. the actual time worked with Ram Steel shall be used when calculating vacation entitlement.
- (D) Effective May 1, 2002 vacation provisions will be as follows:

Less than one (1) year service- one (1) work day each month of service up to a maximum of ten (10) work days; four (4%) percent of earnings to April 30th of the current vacation year.

One (1) to five (5) years of service -three (3) weeks vacation, six (6%) percent of earnings.

Five (5) to twelve (12) years of service • four (4) weeks vacation, eight (8%) percent of earnings.

Twelve (12) years to twenty-five (25) years of

service - five (5) weeks vacation, ten (10%) percent of earnings.

Twenty-five (25) years or more of service – six (6) weeks vacation, twelve (12%) percent of earnings.

- (E) The Company agrees to provide employees with their accrued previous year's vacation pay upon receipt of a written request. Upon termination, an employee will be paid his accrued vacation pay, both previous and current years, computed in accordance with their length of service as provided for in the Collective Agreement.

## **WELFARE BENEFITS:**

### **SECTION 14**

- (A) **INSURANCE:** The Company agrees to pay the full cost of the Group Life Insurance covering employees in the amount of:
1. LIFE – Forty-five thousand (\$45,000.00) dollars. This amount to increase to fifty thousand (\$50,000.00) dollars effective January 1, 2011.
  2. ACCIDENTAL DEATH & DISMEMBERMENT – Forty-five thousand (\$45,000.00) dollars. This amount to increase to fifty thousand (\$50,000.00) dollars effective January 1, 2011.
- (B) **WEEKLY INDEMNITY** The Company agrees to pay the cost of the Weekly Indemnity Insurance Plan in the amount of eighty (80%) percent of the maximum EI insurable earnings with a minimum amount of insurable earnings established at eight hundred (\$800.00) dollars per week.

Payments commence on the:

- first day of absence as a result of accident;
- fourth day of absence as a result of sickness;  
and
- first day of absence if hospitalized.

Benefits are payable up to a maximum of twenty-six (26) weeks of absence.

An employee receiving Weekly Indemnity benefits who returns to work on a reduced work week upon the recommendation of his doctor and the Company doctor, will receive pay for hours worked plus a "top up" weekly indemnity payment to bring his total earnings for the week to the equivalent of his normal full weekly indemnity benefit.

(C) **DENTAL:** The Company agrees to pay the premiums for a dental plan. Benefits of the plan shall be as set out in the carrier's policy. Plan benefits will not be in excess of the minimum fee specified in the current Provincial Dental Fee Schedule. This plan will provide for:

- Basic - One hundred (100%) percent
- Major Restorative - Fifty (50%) percent
- Orthodontia - Fifty (50%) percent
- Maximum Amounts:
  - Basic & Major Restorative: Two thousand (\$2,000.00) dollars per person per calendar year.



- Orthodontia: Per Lifetime two thousand (\$2,000.00) dollars.

(D) **HEALTH BENEFITS:** The Company agrees to pay one hundred (100%) percent of the premiums for the Alberta Hospital and Medical Care Health Care Insurance Plan on behalf of the employees and their dependents.

(E) **MAJOR MEDICAL:** The Company agrees to pay the full premium costs of a Major Medical Plan for employees and eligible dependents to cover the following items:

1. Prescription Drugs (One hundred (100%) percent) and provide prescription drug cards;
2. Semi-Private Hospitalization (Eighty (80%) percent);
3. Ambulance Service (One hundred (100%) percent);
4. Specified Appliances (Eighty (80%) percent);
5. Out of Canada Emergency Hospital Medical Care Expenses (Fifteen thousand (\$15,000.00) dollars maximum);
6. Frames, lenses and the fitting of prescription glasses, sunglasses, including contact lenses up to a maximum of two hundred (\$200.00) dollars in any two (2) consecutive calendar years or an additional one hundred (\$100.00) dollars for prescription lenses only if the prescription changes after one (1) year per family member;

Effective January 1, 2011, frames, lenses and the fitting of prescription glasses, sunglasses, including contact lenses up to a maximum of two hundred twenty five (\$225.00) dollars in any two (2) consecutive calendar years or an additional one hundred (\$100.00) dollars for prescription glasses only if the prescription changes after one (1) year per family member;

7. Hearing aids to a maximum of seven hundred fifty (\$750.00) dollars per family member during any 36 month period, increasing to a maximum of one thousand (\$1,000.00) dollars per family member during any 36 month period effective January 1, 2011;
8. Massage Therapy from a Registered Massage Therapist - Eighty (80%) percent to a maximum of three hundred (\$300.00) dollars per calendar year;

**CONDITIONS:**

- Fifty (\$50.00) dollars annual deductible;
- Fifteen thousand (\$15,000.00) dollars per person maximum per calendar year; and
- Thirty thousand (\$30,000.00) dollars per person during any 36 month period.

- (F) **ELIGIBILITY FOR BENEFITS:** No employee shall be eligible for Company benefits until they have completed their sixty (60) day worked probationary period.

(G) **TERMINATION OF BENEFITS:** All benefits terminate on the date of cessation of active work by resignation or dismissal. Should any employee be laid off, his "welfare benefits" will be maintained by the Company to the end of the calendar month in which he is laid off. Thereafter, these coverages will be maintained by the Company for an additional three (3) month period. After this additional three (3) month period, the employee may, by arrangement with the Human Resources Department, continue his welfare benefits for three (3) more months, (total of six months following the end of the calendar month in which he is laid off) provided the employee makes the required premium payments. For purposes of this section, "welfare benefits" includes Life Insurance, Accidental Death & Dismemberment coverage, Major Medical, and Dental benefits. Benefits terminate at the end of the calendar month in which an employee retires.

(H) **PENSION PLAN:** The Company agrees to provide a Pension Plan with the following benefits:

- (a) Basic benefit of fifty (\$50.00) dollars for all service rendered subsequent to January 1, 2010. Basic benefit of forty-three (\$43.00) dollars for all service rendered between January 1, 2006 and December 31, 2009. Basic benefit of forty (\$40.00) dollars for all service rendered between January 1, 2002 and December 31, 2005. Basic benefit of thirty-four (\$34.00) dollars for all service rendered prior to January 1, 2002.

- (b) A supplemental pension of sixteen (\$16.00) dollars per month per year of credited service to age of 65. Effective January 1, 2010 the supplement will be increased to twenty (\$20.00) dollars per month per year of credited service to age 65.
- (c) However, as an incentive for those employees eligible to retire during the period, January 1, 2008 through December 31, 2012, and to provide employment security for the lower seniority employees, the Company agrees to provide a "Pension Window". Such "Pension Window" is only in effect for the period of January 1, 2008 through December 31, 2012 and provides a benefit limited only to those employees eligible and who actually retire during such period. Such benefit shall be a basic fifty (\$50.00) dollars with a supplemental benefit of twenty (\$20) dollars.
- (d) Employees will be required to contribute twenty-five (\$0.25) cents per hour for all hours worked, including hours paid for vacation, statutory holiday and Weekly Indemnity, with a maximum contribution of four hundred fifty (\$450.00) dollars in any calendar year subsequent to 2002.
- (e) For any employee who has achieved at least ten (10) years of seniority as of December 31, 2007 and who has lost pensionable service, the Company will give such employee additional Pension service in accordance with the following

schedule for each year of additional pensionable service (or prorated for each portion thereof) he earns during the life of the agreement, up to a maximum of one (1) year for each year of employment less one (1).

Lost Years	Pick Up Factor for Past Years
2 – 4 years	0.5 for one year
5 – 10 years	1.0 for one year

The amount of lost pensionable service for an employee will be determined as of December 31, 2007.

This is subject to acceptance by Canada Revenue Agency. In the event that this is unacceptable to Canada Revenue Agency, the parties shall meet as soon as possible to develop an alternate solution at an equivalent cost.

- (f) Long Term Disability – Increase benefit for those currently receiving LTD benefits under the Pension Plan to \$1000.00 per month.
- (I) The Company shall furnish each employee with a copy of a booklet or leaflet containing the benefits set forth herein.
- (J) Long Term Disability – All LTD claims initiated after January 1, 2008 will be administered by an Insurance Company selected by the Company with input from the Union. Benefit level of \$1,000/month, or the benefit provided under the individual's pension calculation, whichever is greater.

## **ERECTION AND FIELD FABRICATION:**

### **SECTION 15**

No employee covered by this Agreement will be permitted to work on field fabrication, installation or erection work coming within the jurisdiction of an outside local union of the International unless granted written permission by the Business Agent or Secretary of the outside local union in the jurisdiction in which work is to be performed. When such written permission has been obtained, the employee concerned shall receive the hourly wage rate and working conditions applicable to such work.

## **APPRENTICES:**

### **SECTION 16**

The Company currently has an Apprenticeship Program in effect and may institute the program at its discretion.

## **SENIORITY:**

### **SECTION 17**

- (A) (1) Employees shall be regarded as probationary employees for the first sixty (60) days worked of their employment within the period of twelve (12) months from the first date of employment. Provided that where an employee has been laid off within such twelve (12) months for two (2) months or more, without completing his probationary period, he shall be required to complete such sixty (60) day period or work ten (10) additional days, whichever is the greater.

- (2) Seniority of each employee covered by this Agreement shall be established after a probation period of sixty (60) days worked.
- (3) On satisfactory completion of probation period, seniority shall count from date of employment.

The retention or termination of a probationary employee during this sixty (60) days worked period, with or without cause, shall be at the sole discretion of the Company. Such retention or termination shall not be subject to the Grievance Procedure.

- (4) The Company shall be under no obligation to re-employ a probationary employee laid off or discharged during his probationary period.

(B) Temporary employees and students hired for a period that should not exceed four (4) months shall not be eligible for benefits, shall not be permitted to bid on any positions, and shall not accumulate seniority. If employed in a classified position they shall be paid the probationary rate of pay. A separate wage scale established by the Company will be implemented for other positions.

(C) **LOSS OF SENIORITY:** An employee shall lose his seniority standing and his name shall be removed from all seniority lists for any one (1) of the following reasons:

- (1) If the employee voluntarily quits.

- (2) If the employee is discharged for proper cause.
- (3) If the employee is laid off and fails to return to work within five (5) days after the Company has given notice for him to do so by telephone followed by registered mail to the employee's last known address.
- (4) If the employee is on continuous layoff for a period in excess of his accumulated seniority at the time of layoff, where the employee's accumulated seniority is less than twelve (12) months.
- (5) If the employee is on layoff for a period longer than twelve (12) consecutive months, where the employee's accumulated seniority is equal to or greater than twelve (12) months.
- (6) Failure of an employee to report to work and return to work immediately following the conclusion of an approved leave of absence.
- (7) If an employee is absent in excess of three (3) working days and fails to notify the Company of such absence, he shall be deemed to have voluntarily terminated employment with the Company except where he can prove communication with the Company was impossible.
- (8) When an employee has not performed any work for the Company for twelve (12) consecutive months as a result of illness



or injury. It is understood that, by mutual agreement between the Company and the Union, this period may be extended.

- (D) The Union recognizes that the Company is in the best position to assess the respective merits of competing applicants for a promotion, transfer, job vacancy, new position, re-established position, or other increase in the work force. Likewise, the Union recognizes that the Company is in the best position to determine which employee should be affected by a demotion, transfer, abolition of a position, or other decrease in the work force. In all such cases, preference will be given by the Company to the employee(s) with the greatest skill, ability or experience, as the Company deems appropriate in order to ensure the most efficient operation of the plant. In cases of relative equal skill, ability and experience, preference will be given to the qualified employee with the most seniority. Qualified means completion of applicable training period as specified in the standard hourly wage table. For jobs without specified training periods, plant seniority will prevail with regard to the provisions of this Section.

In situations where a decrease in the work force occurs and an employee is displaced, having bid up to a job with a higher or equal rate of pay, he shall be allowed to bump back to his previously held position if he has already completed at least fifty (50%) percent of the total training period established for that position and the efficient operation of the plant is not jeopardized.

- (E) The Company will advise the employees by notice on plant bulletin boards of vacancies (excluding the position of Vice-Foreman). Where practicable

for the Company, such notice will be given five (5) days prior to the occurrence of such vacancy. Applications in writing will be considered by the Company for such openings. Should an applicant prove unsuccessful in qualifying for the new opening, he will be returned to his former classification with no loss of seniority. In addition, the employee shall have the right to return to his previous position within thirty (30) days without loss of seniority. In this event, the next most senior applicant shall be awarded the bid. All unsuccessful job posting applications will be discarded three (3) months past their closing date and the position re-posted.

- (F) In all cases of reduction of forces by layoff, the employees affected shall be notified by the posting of a notice of layoff in the plant with a copy submitted to the Union.

Employees with more than sixty (60) working days but less than two (2) years continuous service as of the date of the intended layoff shall receive seven (7) days notice.

Employees with more than two (2) years continuous service as of the date of the intended layoff will receive fourteen (14) days notice.

The above notice shall not be required with respect to temporary layoffs resulting from: 1) lack of work for a period of twenty (20) days or less; 2) breakdown of machinery, power disruption, or failure in supply of materials; 3) floods, fires, Acts of God or other circumstances unforeseeable or uncontrollable by the Company; or 4) periods of recall shorter in time than the above mentioned notice periods of layoff.

(G) **SENIORITY LISTS:** The Company shall maintain a seniority list as follows:

(1) A Plant Seniority List- this list shall include the name, address, phone number, plant seniority date, employee number and job title for all employees occupying jobs covered by this Agreement and shall be revised quarterly. Copies will be supplied to the Union and posted on plant bulletin boards. In order to facilitate the proper administration of this Agreement, the Chief Shop Steward shall be furnished upon request information concerning the employment date, classification, and rate of pay of any employee to whom this Agreement is applicable. Employees with hire dates subsequent to September 27, 1988 shall be placed on the seniority list, with the lower number representing a higher place on the seniority list.

(2) There shall be a thirty (30) day period from the date of posting these lists during which period requests for revision may be received. Any seniority standings which were not disputed and have not been changed within such period shall not be subject to protest, except for clerical inaccuracies which might happen from time to time.

(H) **TRANSFER TO NON-BARGAINING UNIT POSITION:** If an employee is transferred to a non-bargaining unit position, he will maintain the accumulated Company seniority for the purpose of returning to the Bargaining Unit.

- (I) In the event of a layoff the Chief Shop Steward, during his term of appointment, will be retained in the employ of the Company as long as there is work available for him which he is qualified to perform, regardless of his position on the seniority list.
  
- (J) The Company may transfer an employee to any job on a temporary basis. An employee who is temporarily transferred from his regular job for more than an accumulated total of one (1) hour in any one (1) day shall be paid the standard hourly rate (or the applicable training rate) of the job to which he has been transferred, provided such a rate is not less than that of his regular job. If the rate of the job to which he is temporarily transferred, but not as the result of layoff, is less than the rate of his regular job, he shall be paid the rate of his regular job during the period of such temporary transfer. The word "temporary" in this Sub-Section (J) shall mean a period of up to one (1) month.

### **LEAVE OF ABSENCE:**

#### **SECTION 18**

- (A) Leaves of absence, without pay, for periods up to thirty (30) days, may be granted by the Company to an employee for cause which the Company in its sole discretion deems reasonable. All requests for leaves of absence will be submitted in writing to the Works Manager for approval.

A leave of absence may be granted for a period greater than thirty (30) days by mutual agreement between the Company and the Union.

(B) **LEAVE FOR JURY SERVICE:** The Company shall pay an employee who is required for jury service or who is subpoenaed as a witness the difference between the amount of straight time earnings he would have received from the Company and the amount of pay received from the Court. In order to qualify for any compensation by the Company under this Section 18(B), the employee shall also present proof of service and the amount of pay received from the Court. However, the Company shall not be required to pay for time lapsed during a postponement or recess if the employee could have returned to work with the Court's consent.

(C) **BEREAVEMENT PAY:** In the case of death in the immediate family of an employee, the Company shall grant an employee a leave of absence with straight time pay based on the number of regular working hours of such absence. The number of days leave granted shall be determined by the Company based on the time needed by an employee.

The maximum number of days pay granted shall be:

- Up to five (5) days pay for wife, husband, children and all corresponding common-law equivalents:
- Up to three (3) days pay for mother, father, brother, sister, grandparents, grandchildren, brother-in-law, son-in-law, daughter-in-law, sister-in-law, mother-in-law, father-in-law, and all corresponding common-law equivalents.

It is understood that divorce terminates the "in-law" relationship.

Any such leave of absence must be arranged with the employee's foreman, if possible, or another Company representative. This provision shall apply if the employee attends the funeral or is required to take an active part in the estate arrangements of the deceased. The amount of leave to be granted under this Section shall be determined by the Company based on the time needed by an employee to attend the funeral or take an active part in estate arrangements. The provisions of this Section do not apply if at the time of bereavement the employee is absent from work due to sickness, accident, vacation, leave of absence, or other cause.

- (D) If the employee furnishes false information regarding a leave of absence request or fails to abide by the terms of the leave of absence, he shall be subject to discipline up to and including discharge.

Any employee who, while on leave of absence, obtains employment with another employer without having obtained prior permission to do so from the Company and the Union shall be subject to discharge.

- (E) Any employee elected or appointed as a Union Officer, or as a delegate to any labour activity necessitating a leave of absence, shall be granted such leave without pay, for a period of a single term of office or three (3) years, whichever is the lesser, subject to renewal at the end of such period at the option of the Company.

## GRIEVANCE PROCEDURE:

### SECTION 19

- (A) **COMMITTEEMEN AND STEWARDS:** A Chief Shop Steward and not less than two (2) nor more than five (5) additional Shop Stewards shall be appointed by the Union from among its members employed by the Company. Shop Stewards shall not be discriminated against for performing their duties as hereinafter provided.
- (B) A Shop Steward will be released from his regular work assignment for the investigation of grievances only. To provide a minimum of interference to production, the parties agree to the following rules of conduct for appointed Shop Stewards:
- (1) Shop Stewards will be released during working hours only for the investigation of grievances or to attend a meeting scheduled by the Company.
  - (2) If a Shop Steward wishes to be released to investigate a grievance he must receive permission from his foreman and advise his foreman of the nature and place of the grievance.
  - (3) Upon entering a department, other than his own, the Shop Steward will inform the foreman of the nature of the grievance he is investigating.
  - (4) It is mutually agreed that there will be no abuse or excessive use of the time spent investigating grievances.

- (C) **DEFINITION OF GRIEVANCE:** A grievance is defined as an alleged violation of a specific section(s) or sub-section(s) of this Agreement.
- (D) **STEP ONE:** An employee who believes that he has a justifiable request or complaint will discuss the request or complaint with his foreman, with the assistance of a Shop Steward. The foreman shall state his decision in writing and submit same within two (2) working days or other time mutually agreed upon between the foreman and the employee.

**STEP TWO:** Should the employee be dissatisfied with the Company disposition of such complaint or request, he may refer such matter on a written form to management, who shall answer the grievance in writing within seven (7) calendar days or such longer period as may be mutually agreed upon between the Union and the Company. Such complaint form shall name the employee involved, shall state the facts giving rise to the grievance, shall identify all the provisions of this Agreement alleged to be violated by appropriate reference, shall state the contention of the employee and the Union with respect to these provisions, and shall indicate the relief requested. The employee and the Shop Steward shall sign the grievance.

**STEP THREE:** If no settlement is reached in Step 2, Company and Union representatives will meet to discuss the complaint. The Company shall provide a written reply to the Union in answer to the grievance. If the grievance is not settled in Step 3 then at the written request of the Union, and within the prescribed time limits, the grievance may be referred to arbitration.



(E) **GROUP GRIEVANCES:** The Union or the Company shall have the right to initiate a group grievance or a grievance of general nature at Step 3 of the Grievance Procedure. Any such grievances shall be in writing and shall identify:

- (1) the employees or group of employees affected;
- (2) the facts giving rise to the grievance;
- (3) the Agreement provisions alleged to have been violated;
- (4) the argument or position of the grieving party; and
- (5) the relief sought.

(F) **TIME LIMITS:**

- (1) Grievances must be submitted within ten (10) calendar days of the date the alleged dispute first arose or the grievance will be deemed for all purposes to be finally and conclusively abandoned.
- (2) Grievances not processed to the next stage within five (5) calendar days after reply has been given, shall be deemed for all purposes to have been finally and conclusively abandoned.

(G) The Shop Stewards provided for and mentioned in this Section 19 shall have and possess power and authority to act for and bind the Union only in connection with those functions, rights, obligations and matters provided for in this Agreement. They

shall not have, or be deemed to have, any other authority to act for or bind the Union.

- (H) An employee who believes that his employment has been unjustly terminated, may file a grievance in writing at Step 3 of the Grievance Procedure.

## **ARBITRATION:**

### **SECTION 20**

- (A) If a satisfactory disposition of the grievance is not made as a result of the meeting provided for in Step 3, the Company or the Union by written notice to the other shall have the right to place the dispute before an impartial arbitrator. Such notice must be given within ten (10) calendar days from the date of the Company's answer provided for in Step 3.

- (B) **PROVISIONS FOR SELECTION OF ARBITRATOR:** Forthwith after receipt of such notice, the Company and the Union shall agree upon a person to act as arbitrator of the grievance. If the parties are unable to agree on a person to act as the single arbitrator either party may request the Minister in writing to appoint a single arbitrator.

- (C) **POWERS OF THE ARBITRATOR:** It shall be the function of the arbitrator to make a decision in cases of alleged violation of the specific section(s) and sub-section(s) of this Agreement.

- (1) He shall have no power to add to, subtract from, disregard, alter, or modify any of the terms of this Agreement.

- (2) His powers shall be limited to deciding whether the Company has violated the express section(s) or sub-section(s) of the Agreement; and he shall not imply obligations or conditions binding upon the Company from this Agreement, it being understood that any matter not specifically set forth herein remains within the reserved rights of the Company.
  
- (3) The fees and expenses of the arbitrator shall be shared equally by the Company and the Union. All other expenses shall be borne by the party incurring them, and neither party shall be responsible for the expense of witnesses called by the other.

## **STRIKES AND LOCKOUTS:**

### **SECTION 21**

The Company agrees that it will not cause or direct any lockout of its employees for the term of this Agreement. The Union agrees that neither it nor its representatives will, during the term of this Agreement, authorize, call, cause, condone, or take part in any strike, picketing, sit-down, stand-in, slowdown or curtailment or restriction of production, or interference with work in or about the Company's plant or premises. The Union further agrees that any employee or employees participating in, taking part in, instigating or assisting in instigating, in such strike, picketing, sit-down, stand-in, slowdown, or curtailment or restriction of production or interference with work in or about the Company's plant or premises for the duration of this Agreement, shall be subject to discipline or discharge. The term "slowdown" shall mean a condition of willful restriction

or reduction of production by an employee which is within such employee's reasonable control. Nor shall there be any strike or interruption of work during the term of this Agreement because of any disputes or disagreements between any other persons (or other employees or Unions) who are not signatory parties to this Agreement, or because of any picket line, informational or otherwise.

### **PLANT VISITATION:**

#### **SECTION 22**

Authorized representatives of the Union shall have access to the Company's premises, providing they do not cause workmen to neglect their work, and having first obtained clearance from the Company.

### **BULLETIN BOARDS:**

#### **SECTION 23**

The Company agrees to provide the Union with bulletin boards in the plant for the purpose of posting Union notices and official papers. Notices will be posted only by officers of the Union and will be in keeping with the spirit and intent of this Agreement. Notices which are offensive to the Company will be removed by the Union at the request of the Company.

### **SAFETY AND HEALTH:**

#### **SECTION 24**

- (A) The parties hereto recognize the importance of safety provisions in the plant for the welfare of employees and the protection of the Company's property. The Company agrees to make

reasonable provisions for the safety and health of its employees during the hours of their employment. There shall be a permanent Safety Committee consisting of not more than three (3) persons, who shall be employees of the Company selected by the Union, and an equal number of persons selected by the Company. This Committee shall meet regularly on some one day of each month, to be agreed upon by the members of the Committee, to investigate, discuss and submit recommendations calculated to relieve any unsafe or unhealthy condition that may exist. These recommendations are to be submitted to the Company and it agrees to make reasonable efforts to improve any safety defect or unhealthy condition which the committee may call to its attention. A copy of the Minutes of the Safety Committee meeting shall be sent to the Union's office.

- (B) The Company agrees to pay the full cost of approved prescription safety glasses, complete with protective side shields, to a maximum of one (1) pair per year. To qualify for this benefit, the employee must obtain a Company requisition from a Company official.
  
- (C) The Company shall supply each active employee with a pair of coveralls on a quarterly basis each year, effective January 1st 1998. At the employee's option, the Company will pay fifty (50%) percent of the cost of cleaning and repairing fire retardant coveralls, through it's contracted cleaning provider, for those employees required by the Company to wear fire retardant coveralls. Those employees who hold outside bid positions who wish to obtain winter coveralls from the Company may once per year

obtain one pair of winter coveralls in lieu of two pair of regular coveralls.

- (D). Effective April 1st the Company shall provide an annual allowance of one hundred fifty (\$150.00) dollars to each active employee for the purpose of approved safety boots.

### **SAVING CLAUSE:**

#### **SECTION 25**

It is assumed by the parties hereto that each provision of this agreement is in conformity with all applicable Laws of Canada and the Province of Alberta. Should it later be determined that it would be a violation of any laws of Canada or Provincial Order or Statute to comply with any provisions of this Agreement, the parties hereto agree to re-negotiate such provision, or provisions, of this Agreement for the purpose of making them conform to such Provincial Order or Statute, and the other provisions of this agreement shall not be affected thereby.

### **INTERIM AMENDMENT:**

#### **SECTION 26**

This Agreement may be amended at any time by an agreement in writing, executed by the parties hereto. The party desiring such an amendment shall submit a proposal thereof in writing to the other party, which shall be entitled "Request for Interim Amendment" and specify that it is given under Section 26, and upon receipt thereof, the other party shall promptly consider such proposal and, if requested to do so, discuss it with the other party proposing the amendment. The giving of such written "Request for Interim Amendment" shall in

no way affect or result in a termination or expiration of this Agreement or prevent or obstruct any continuation or renewal thereof.

It is expressly understood that if any disagreement should arise between the parties as to any "Request for Interim Amendment" submitted by either party under this Section 26, such disagreement shall not be reviewable under the grievance procedure set forth in Section 19, nor arbitrable under the arbitration provisions and procedure set forth in Section 20 of this Agreement.

**TERM OF AGREEMENT:**

**SECTION 27**

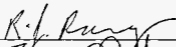

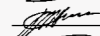
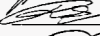
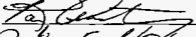
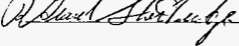
This Agreement shall be effective from ratification and will continue in effect through December 31, 2012, and thereafter from year to year unless written notice of intent to terminate or amend the Agreement is given by either party during the period beginning on September 1st and ending on October 31st of any year after 2011. During the period of negotiations for a renewal Collective Agreement, this Collective Agreement shall continue in full force and effect.


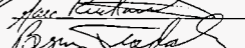
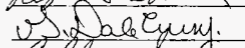
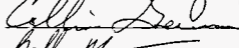
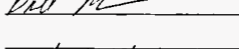
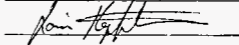
This Contract constitutes the entire Agreement between the parties and supersedes and replaces all previous Agreements and practices both written and oral.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed and their duly authorized officers and representatives on the 11th day of January, 2008.

For  
IPSCO Inc

For:  
SHOPMEN'S LOCAL UNION NO 805  
of the INTERNATIONAL ASSOCIATION  
OF BRIDGE, STRUCTURAL,  
ORNAMENTAL and REINFORCING IRON  
WORKERS.

  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_

  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_



**LETTER OF UNDERSTANDING  
BETWEEN  
IPSCO INC.  
AND  
SHOPMENS LOCAL UNION NO. 805 OF THE  
INTERNATIONAL ASSOCIATION OF  
BRIDGE, STRUCTURAL, ORNAMENTAL AND  
REINFORCING IRON WORKERS**

**RE: SHIFT SCHEDULES**

It is understood and agreed by the parties that pursuant to the Union vote taken March 6, 1984 regarding shift schedules, all employees affected shall work shifts of eight (8) hours and thirty-five (35) minutes at regular straight time hourly rates with an additional twenty-five (25) minutes unpaid for lunch for a total of nine (9) hours on site.

The foregoing shall take effect at the commencement of the seven (7) day production schedule.

SIGNED ON BEHALF OF THE  
COMPANY:

*Raymond J. Carey*  
*Jim Clarke*  
*Ra. [unclear]*  
*El. [unclear]*

SIGNED ON BEHALF OF THE  
UNION:

*D. DeCunyo*  
*Jos. [unclear]*  
*Phil Marshall*  
*Rudy [unclear]*  
*[unclear]*

DATED this 2<sup>nd</sup> day of January, 2002

**LETTER OF UNDERSTANDING  
BETWEEN  
IPSCO INC.  
AND  
SHOPMEN'S LOCAL UNION NO. 805 OF THE  
INTERNATIONAL ASSOCIATION OF  
BRIDGE, STRUCTURAL, ORNAMENTAL AND  
REINFORCING IRON WORKERS**

**RE: SIXTH - SEVENTH WORK DAYS**

It is understood and agreed by both parties that the Company shall have the right to implement shift schedules greater than five (5) days, such as a six (6) or seven (7) day work schedule, to be paid at straight time hourly rates. Overtime will be paid as stated in Section 8(F) of the Collective Agreement.

SIGNED ON BEHALF OF THE  
COMPANY

Raymond J. Roney  
Jim Claitor  
La. Canty  
H. Brown  
\_\_\_\_\_

SIGNED ON BEHALF OF THE  
UNION:

D. Dale Currey  
George Schaefer  
Michael Mahall  
Rudry Veresh  
Ben Tibbe  
\_\_\_\_\_

DATED this 4<sup>th</sup> day of January, 2002

**LETTER OF UNDERSTANDING  
BETWEEN  
IPSCO INC.  
AND  
SHOPMENS LOCAL UNION NO. 805 OF THE  
INTERNATIONAL ASSOCIATION OF  
BRIDGE, STRUCTURAL, ORNAMENTAL AND  
REINFORCING IRON WORKERS**

**RE: MEDICAL LETTER**

This will confirm the understanding reached in negotiations that, when an employee is required to get a signed document from the employee's personal doctor by either the Company or its Insurer, that defines the employee's ability to return to work during and/or after medical absence, the Company shall reimburse the employee for any reasonable physician fee so incurred.

SIGNED ON BEHALF OF THE  
COMPANY

*Raymond J. Rarey*  
*Jim Chute*  
*Ra. Canty*  
*H. Braun*

SIGNED ON BEHALF OF THE  
UNION:

*D. Dale Cury*  
*George Chouf*  
*Mike Mahall*  
*Rudry Vesich*  
*M. Rantimka*

DATED this 4<sup>th</sup> day of January, 2002

**LETTER OF UNDERSTANDING  
BETWEEN  
IPSCO INC.  
AND  
SHOPMENS LOCAL UNION NO. 805 OF THE  
INTERNATIONAL ASSOCIATION OF  
BRIDGE, STRUCTURAL, ORNAMENTAL AND  
REINFORCING IRON WORKERS**

**RE: SHOPMEN'S PENSION PLAN**

This will confirm the understanding reached during negotiations that, in the event the Ironworker's Shopmen's Pension Plan becomes of interest to the majority of the bargaining unit, the parties shall meet to discuss its possible implementation. This letter in no way obligates the Company to additional costs.

SIGNED ON BEHALF OF THE  
COMPANY:

*Raymond J. Roney*  
*Jim Claitor*  
*Ra. Canty*  
*H. Brown*

SIGNED ON BEHALF OF THE  
UNION:

*D. Dale Cunniff*  
*Josie Choufi*  
*Phil Mohall*  
*Rudry Veresh*  
*B. Gutierrez*

DATED this 4<sup>th</sup> day of January, 2002

**LETTER OF UNDERSTANDING  
BETWEEN  
IPSCO INC.  
AND  
SHOPMENS LOCAL UNION NO. 805 OF THE  
INTERNATIONAL ASSOCIATION OF  
BRIDGE, STRUCTURAL, ORNAMENTAL AND  
REINFORCING IRON WORKERS**

**RE: PERMANENT SHUTDOWN**

This will confirm the understanding reached at negotiations that in the event of the permanent shutdown of the Red Deer Operations, the parties shall negotiate an orderly closure and suitable severance allowance.

SIGNED ON BEHALF OF THE  
COMPANY:

Raymond J. Roney  
Jim Clarke  
Ra. Curtis  
H. Braun  
\_\_\_\_\_

SIGNED ON BEHALF OF THE  
UNION:

D. DeCunyo  
Georgie Chouffe  
Bill Mahall  
Rudry Vesich  
M. Gauthier  
\_\_\_\_\_

DATED this 4<sup>th</sup> day of January, 2002

**LETTER OF UNDERSTANDING  
BETWEEN  
IPSCO INC  
AND  
SHOPMEN'S LOCAL UNION NO. 805 OF THE  
INTERNATIONAL ASSOCIATION OF  
BRIDGE, STRUCTURAL, ORNAMENTAL AND  
REINFORCING IRON WORKERS**

**RE: NON-STANDARD SHIFT SCHEDULES**

It is the goal of IPSCO Inc. to provide its customers with superior quality, reliability, performance, and service with timely delivery at a competitive cost. It is recognized that the flexibility to implement non-standard shift schedules, when business conditions warrant, will positively impact this goal, while stabilizing jobs at the Red Deer Mill.

Consistent with IPSCO's business strategy, if the Red Deer Mill performs at a level that will enable IPSCO to successfully secure business by meeting or beating the price of its competitors at a cost level that meets financial requirements, IPSCO will utilize the Red Deer Mill to the maximum capacity that available business opportunities will allow.

**Implementation and Application**

This Agreement sets out the conditions that will apply for the institution of non-standard shift schedules (defined as any shift other than five eight hour days per week). It is understood that the following non-standard shifts are considered established shifts and are not subject to review by the Shift/Overtime Committee described below:

- Eight hours, 35 minutes      7 day schedule      3 crews

- Eight hour                      7 day schedule    4 crews

- Twelve hour                    7 day schedule    4 crews

A Shift/Overtime committee consisting of three Union members selected by the Union shall work with management to determine the shift schedules to be worked. When decisions are being contemplated that would create a business need for a non-standard shift, the Shift/Overtime Committee will be involved prior to any final decision to implement a non-standard shift. The Committee will have an opportunity to review the factors involved in the decision to implement a non-standard shift and to provide input on creative ways to implement an appropriate shift schedule that will provide maximum efficient utilization of equipment and adequate maintenance coverage at a competitive cost while also being acceptable to management and the majority of employees who will be scheduled to work the non-standard schedule.

Other than the non-standard shifts noted above, the Shift/Overtime Committee will require a review of any non-standard shift schedule previously implemented and have the right to reject re-implementation of such schedule at that time.

Implementation of any new non-standard shift will be for a trial period of reasonable duration agreed upon by the shift committee and management. After the trial period the affected employees will be asked for approval to continue the shift until such time as scheduling requirements change. If, at the end of the trial period, the shift is rejected, the Shift/Overtime Committee and management will implement an orderly transition back to an established shift schedule, or a mutually acceptable alternative, with as little hardship (loss of pay, extra hours), as possible to the employees involved.

and without disruption to operational requirements.

The Company's right to implement shift schedules and the Union's right to grieve shall not be inhibited by this Agreement.

For the purposes of this Agreement, the implementation or termination of a regular daily work schedule in excess of eight (8) hours shall not result in the payment of any overtime hours or any other premiums which would otherwise be applicable.

This Agreement shall apply to all non-standard shifts.

### **Definition of a Day for Hours in Excess of Eight (8) Hours**

A day is a twenty-four (24) hour period beginning with the start of the employee's shift. The basic work day shall consist of consecutive hours established under this Agreement, broken only by the established lunch periods.

### **General Provisions**

#### **1. Overtime**

- (i) The Shift/Overtime Committee or Vice-Foreman will deal with any overtime problems within their respective departments as they occur.

The Company shall give notice of overtime as far in advance as is practical and such work shall be considered as scheduled.

On a bi-weekly basis, employees willing to work overtime to replace absent



employees will place their names on an overtime list. Failure to obtain satisfactory lists shall result in the lists being forwarded to the Shift/Overtime Committee or Vice-Foreman to obtain mutually agreeable lists for coverage. Employees making this commitment must be available from two (2) hours prior to start of the shift(s) to one (1) hour following the start of the shift(s) they have indicated, so that they may be called if necessary. An employee unavailable when contacted or refusing to report shall be treated in the same fashion as an employee failing to report on his regular shift.

Employees staying beyond their shift may stay up to a maximum of sixteen (16) hours worked for that day. Upon the request of the employee, the Supervisor and the employee will make every effort to find another employee willing to work overtime.

- (ii) Overtime resulting from absenteeism, where an employee is called in off-shift, shall be paid on a pro-rated basis.

<u>Shift (Hours)</u>	<u>Overtime Rate</u>
Less than 10	Per Collective Agreement
At least 10, but less than 12	1.80
12 or more	1.667

- (iii) For the purpose of this Article, absenteeism includes all absenteeism that occurs between the posting of a schedule and the posting of the next schedule. The Company will fill longer term absences

through the normal scheduling procedures at the first schedule to be posted after the initial lost shift. Exceptions to this shall be absences due to annual vacations.

- (iv) Employees staying beyond their normal shift shall be paid at the rate of one and one-half (1½) times the standard hourly rate for their first two (2) hours and two (2) times the standard hourly rate for all hours worked thereafter.
- (v) The dead shift will be designated by the Shift/Overtime Committee. Payment for such dead shift will be comprised of a combination of straight time and/or applicable overtime rate in accordance with the designated schedule. For a twelve (12) hour schedule – the first four (4) hours at straight time and the last eight (8) hours at one and one-half (1½) times the standard hourly wage rate.

2. **Changes in Shift or Schedule and Rate of Pay for Non-Standard Shift Schedules**

- (i) In the event that an employee *is* changed from one shift or schedule to another, either by a change in work schedule or by promotions or demotions in the lines of progression, he shall work the schedule he has been changed to for his regular straight time hourly rate, but he shall not work more than one hundred and sixty (160) hours in any twenty-eight (28) day period. Applicable overtime rates for shift changes shall be paid for all hours worked over one hundred and sixty (160).

### 3. Paid Holidays

- (i) Where a paid holiday falls on a scheduled shift, an employee may request that day off, provided that application is made at least seventy-two (72) hours in advance of the holiday. The Company will advise when paid holidays are to be worked at least seventy-two (72) hours in advance of the holiday. The Company will make an effort to replace the employee requesting the holiday off.
  
- (ii) Where a paid holiday falls on an employee's day off or scheduled day off work and the employee does not work on that holiday:
  - (a) the employee shall be paid a sum equal to eight (8) hours straight time pay.
  
- (iii) Where a paid holiday falls on an employee's scheduled day of work and he works:
  - (a) An employee shall be paid a sum equal to his standard hourly wage rate for the normal duration of his shift; and
  - (b) The employee shall be paid on a pro-rated basis for all hours worked on that paid holiday. For example:

<u>Shift (Hours)</u>	<u>Overtime Rate</u>
Less than 10	Per Collective Agreement
At least 10, but less than 12	1.80
12 or more	1.667

(iv) An employee who works on his day off on any of the listed paid holidays shall be paid at the rate of two (2) times his standard hourly rate for the normal duration of his shift in addition to his pay ~~for~~ the listed holiday.

(a) The employee will also receive an extra day off without pay on his annual vacation.

#### 4. Probationary Period

Probationary period for the purpose of computation to comply with shift schedules in excess of eight (8) hours shall be four hundred and eighty (480) straight time hours.

#### 5. Vacations

The use of shifts in excess of eight (8) hours will, if necessary, mean an employee will work some weeks in excess of forty (40) hours and some less averaging out at approximately forty (40) hours duration. Consequently, a vacation week will be calculated to be of forty (40) hours duration.

#### Section 9(f):

“...should any of the above mentioned holidays fall on an employee’s scheduled day *off* he shall be granted one (1) extra day without pay on his annual vacation.”

6. **Lunch Periods**

- (i) For a twenty-four (24) hour continuous shift operation, there will be an uninterrupted one-half (1/2) hour, paid lunch break to be scheduled between the fourth and eighth hours of the shift.
- (ii) For a non-continuous shift operation, there will be an uninterrupted one-half (1/2) hour, unpaid lunch break.

7. **Shift and Weekend Premiums**

- (i) Night shift premiums for twelve (12) hour shifts will be paid at fifty (\$0.50) cents per hour in accordance with Section 10 (E) of the Collective Bargaining Agreement.

8. **Bereavement Pay**

Employees on an approved bereavement leave will be paid up to a maximum of the appropriate number of days at eight (8) hours per day, as per Section 18, paragraph (c) of the Collective Bargaining Agreement.

9 Weekly Indemnity

Weekly Indemnity will commence after the appropriate number of days absence as listed in Section 14, paragraph (B) of the Collective Bargaining Agreement.

SIGNED ON BEHALF OF THE  
COMPANY

Raymond J. Roney  
Jim Clatice  
Ra. Canty  
H. Brown

DATED this 4<sup>th</sup> day of January, 2002

SIGNED ON BEHALF OF THE  
UNION:

D. DeCunyo  
George Schaefer  
Mill Mahall  
Rudry Vesich  
Manturka



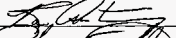

LETTER OF UNDERSTANDING  
BETWEEN  
IPSCO INC.  
AND  
SHOPMENS LOCAL UNION NO. 805 OF THE  
INTERNATIONAL ASSOCIATION OF  
BRIDGE, STRUCTURAL, ORNAMENTAL AND  
REINFORCING IRON WORKERS

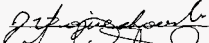

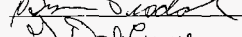
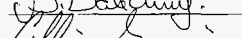

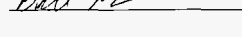
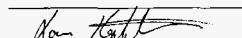
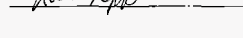








RE: PLANT CLOSURE

In the event of a complete plant closure during any period where a pension "window" is in effect, an employee who is least age fifty-five (55) and has more than ten (10) years of service is terminated, shall have his vested benefit determined under the applicable window level in effect at the time of termination.

SIGNED ON BEHALF OF THE  
COMPANY:

SIGNED ON BEHALF OF THE  
UNION

  
\_\_\_\_\_  
R. J. Rury  
\_\_\_\_\_  
V. in Clarke  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  


  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_

DATED this 11<sup>TH</sup> day of January, 2008.

Memorandum of Agreement  
Skills Upgrading Plan

IPSCO Inc. and the Shopmen's Local Union No. 805 of the International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers agree to implement a Skills Upgrading Plan at the Company's Red Deer Works. The parties agree the Skills Upgrading Plan (referred to below as the Plan) will take effect from the date of signing. Either party can terminate the Plan by providing ninety (90) days written notice.

1. Establish New Jobs within the Bargaining Unit: A Maintenance Operator will replace one of three current Mill Crew jobs on each shift and be classified at levels appropriate to the qualifications obtained by an incumbent. Maintenance Operators will work as part of the Mill Crew to perform operating functions and required maintenance work. Electricians, currently classified as Tradesmen, and responsible for both electrical and mechanical maintenance work on assigned crews will be reclassified as Tradesmen 2. All other current trades personnel will remain as Tradesmen (and be referred to as Tradesmen 1).

Position Title  
Qualifications

Required

Maintenance Operator 1	Level 1 or 2 Electrical Apprentice
Maintenance Operator 2	Level 3 or 4 Electrical Apprentice
Maintenance Operator 3	Journeyman Electrician
Tradesmen 2	Journeyman Electrician

2. Structure of New Positions: A two job line of progression will be established with the Tradesmen 2 position as the top job in the line and the Maintenance



Operator as the bottom job. In times of cutback or reduction in crewing levels a Tradesmen2 will displace an Operator not fully qualified (i.e., Maintenance Operator1 or Maintenance Operator2) and will displace a Maintenance Operator3 on the basis of plant seniority. Future Tradesmen 2 vacancies will first be filled by the most senior Maintenance Operator3. If no Operators have qualified as Maintenance Operator 3's at the time of a vacancy a Tradesmen 2 will be filled by an outside hire. Maintenance Operator positions will be filled through the job posting process and only if there are vacancies which are not filled by internal candidates will positions be filled by outside hires.

**3. Selection of Maintenance Operators:** Maintenance Operators will be selected by the Company through the job posting procedure. Position qualifications will include the minimum standards required to enter the electrical apprenticeship program, Grade 12 or equivalent, proven written and verbal communication skills, a demonstrated mechanical aptitude and seniority. The Company will make final selections. A limited number of employees who do not possess the necessary qualifications may be accepted into the Plan on the condition that they become qualified within a twelve (12) month period.

**4. Training Sponsorship:** IPSCO Inc. will sponsor Maintenance Operators to obtain a journeyman electrician standing. Operators will rotate through training assignments, school terms and assignments on the weld line. An employee's continued participation in the Plan is contingent on successful completion of school terms and training assignments as well as satisfactory on the job performance. Sponsorship will include tuition and course material expenses. IPSCO Inc. will work with C.S.T.E.C., Alberta Apprenticeship & Industry Training and other appropriate organizations

to ensure training is properly recognized and training expenses incurred by the Company and the employee are minimized. Reimbursement for training expenses is subject to satisfactory performance during attendance in school. Plan participants will normally qualify for Employment Insurance benefits while attending school, however, if an employee is not eligible for benefits, the Company will review his situation and may pay the employee at the normal benefit level.

**5. Rates of Pay:** Effective from the signing of the Memorandum of Agreement, the following rates of pay are established for the new jobs in the bargaining unit. The pay level for the newly established Tradesmen 2 position necessitates a re-evaluation of pay levels for Vice-Foremen in the maintenance and production areas. The new rates as indicated below for these two Vice-Foreman positions ensure satisfactory differentials are maintained. Other Vice-Foreman will remain at the previously classified rate.

Position	Training Rate	Standard Rate
Tradesmen 2	\$26.31 (480 hrs.) \$27.35 (480 hrs.)	\$28.08
Maintenance Operator 3	n/a	\$26.44
Maintenance Operator 2	n/a	\$23.48
Maintenance Operator 1	\$21.77 (1040 hrs.)	\$22.29
Vice-Foreman (Maintenance)	n/a	\$28.49
Vice-Foreman (Production)	n/a	\$28.91

Note: familiarization periods are indicated by hours worked at the appropriate training rate.

An employee whose standard hourly rate on the job held at the time of a successful bid is higher than the rate of pay for the Maintenance Operator position will have their rate maintained until becoming a fully qualified operator (i.e., Maintenance Operator 3) or until the standard rate

of pay as a Maintenance Operator not fully qualified (i.e., Maintenance Operator 1 or Maintenance Operator 2) exceeds the rate of the job held prior to bidding.

An employee whose participation in the Plan is discontinued will be re-assigned to the position held at the time of successfully bidding a Maintenance Operator position.

Time attending school will be credited for pension and bonus plan purposes at forty (40) hours per week. Normal benefit coverage will also be provided.

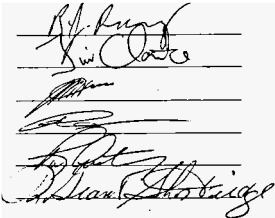
At the request of the employee and at a time at least one (1) year after the successful completion of each level of apprenticeship an employee who continues to participate in the Plan will receive an incentive bonus:

Level 1		\$2,000.00
Level 2	-	\$2,000.00
Level 3	-	\$2,250.00
Level 4	-	\$3,000.00

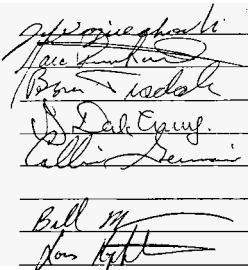
**6. Organization and Management of Plan:** The joint Company / Union Workplace Relations Committee will oversee the implementation and ongoing progress of the Skills Upgrading Plan. Questions which arise with respect to any aspect of the Plan will be discussed by the Workplace Relations Committee. The Company will determine work assignments, the rotation of Maintenance Operators and other scheduling considerations to accommodate vacations, school terms, sickness, special operational demands, etc.

Dated this 11<sup>TH</sup> day of January, 2008.

SIGNED ON BEHALF OF THE COMPANY:

Handwritten signatures on behalf of the company, including names like "Jim O'Connell" and "Michael [unclear]".

SIGNED ON BEHALF OF THE UNION:

Handwritten signatures on behalf of the union, including names like "Bill [unclear]" and "Don [unclear]".