

COLLECTIVE BARGAINING AGREEMENT

Between

**NANISIVIK MINE
A DIVISION OF CANZINCO LTD.
(the "Company")**

And

**UNITED STEELWORKERS OF AMERICA
LOCAL UNION 9446
(the "Union")**

November 1, 2000 to October 31, 2004

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COLLECTIVE BARGAINING AGREEMENT

-BETWEEN-

**NANISIVIK MINE
A DIVISION OF CANZINCO LTD.
(the "Company")**

-AND-

**UNITED STEELWORKERS OF AMERICA
LOCAL UNION 9446
(the "Union")**

The parties, therefore, agree:

ARTICLE ONE: PURPOSE OF THE AGREEMENT

1.01 The parties agree that the purpose and intent of this Agreement is to promote the mutual interest of the Company and its employees and to provide for the operation of the property in a manner that will further, to the fullest extent possible:

- (a) the safety of the employees; and
- (b) the economy and efficiency of all operations; and
- (c) the quantity and quality of production; and
- (d) the orderliness of mine and mill and a commitment to protect Company property; and
- (e) the creation of harmonious relations between the Company and the Union.

1.02 Further, it is also the intent and purpose of the parties hereto that this Agreement will establish relationships between the Company and the Union, as set out within this Agreement, covering rates of pay, hours of work and other working conditions and also to provide a mechanism for the adjustment of grievances.

1.03 Whenever the male gender is used throughout this Agreement, it is agreed that the feminine gender is an acceptable substitute whenever and wherever the feminine gender is applicable. When the singular is used throughout the Agreement, it is agreed that the plural is an acceptable substitute whenever the plural is applicable.

ARTICLE TWO: NATURE OF THE BARGAINING UNIT

2.01 In determining who shall be included in and who shall be excluded from the bargaining unit, the wording of the Certification Order issued by the Canada Industrial Relations Board dated June 28, 1999 shall prevail. At page two of that Order, it defines the bargaining unit as:

“all employees of Canzinc Ltd. – Nanisivik Mine, at Nanisivik, Nunavut, excluding supervisors, persons above the rank of supervisor, office, clerical and technical employees, and engineers operating in a professional capacity.”

Should there be any dispute as to which occupations should be included in or excluded from the bargaining unit, the matter will be referred to the Canada Industrial Relations Board for resolution.

- 2.02 For bargaining unit positions in the Mine, Mill and Maintenance departments non-bargaining unit personnel shall not perform regular bargaining unit work except in cases of maintaining or improving the efficiency of the operations, instruction, emergency situations, investigations, testing and in situations where no bargaining unit employee is immediately available to perform the work required and it is further agreed that no bargaining unit employee will be laid off as a result of this provision.
- 2.03 For all other positions (i.e. other than those in the Mine, Mill and Maintenance Departments) the parties recognize and accept that supervisors will be required to perform bargaining unit work on a regular basis, but agree that no bargaining unit employee will suffer a loss of regular wages or be laid off as a result of this provision.

ARTICLE THREE: DISCRIMINATION, STRIKES & LOCKOUTS

- 3.01 It is agreed that there will be no discrimination by the Union or the Company because of race, colour, creed, sex, age, physical ability where the disability does not render the employee incapable of fulfilling his duties and obligations under this Agreement, national origin, affiliation or non-affiliation with any union. It is also agreed that there will be no solicitation of membership or other Union activity during working hours, unless specifically provided for elsewhere in this Agreement.
- 3.02 Traditional Inuit values and traditions will continue to be acknowledged by the Company and the Union and the parties accept that there will be certain conditions set out in this Agreement under which Inuit employees will be granted rights and benefits different than those extended to other employees. These provisions will not be considered to be discriminatory, and it is agreed that no action will be taken or sanctioned by either party where such rights are extended.

3.03 The Company will not lock out the employees during the life of this Agreement

3.04 The Union, its representatives and its members shall not authorize, encourage or participate in any strike, walkout, suspension of work, slowdown or other interruption of work during the life of this Agreement. In the event that any strike, walkout, suspension of work, slowdown or other interruption of work occurs contrary to this Article, the Company reserves the right to take the following course of action.

- (a) Initiate legal action against the United Steelworkers of America (at the local, district, national and international levels as may be appropriate to the circumstances) for any financial **loss** incurred during the term of any such illegal activity ~~set~~ out above; **and**
- (b) terminate the employment of any employee who participates in any such illegal activity.

In the event the Company initiates any such action against the Union or any of its members, the Union will have the right to defend itself against any lawsuit and will have the right to file a grievance on behalf of any employee who is discharged as a result of his participation in an illegal activity as defined above.

3.05 The Company will make available to the Union three (3) bulletin boards to be located one in each of the Dome, the Mill Lunch Room and the Shops Area. Bulletin boards will continue to be available to the Union, provided the following guidelines are adhered to:

- (a) Notices to be posted by the Union will be limited to meeting notices, notices of social events and other official Union material. All material to be posted must be non-controversial and consistent with the aim of this Agreement to foster a harmonious relationship between the Company and the Union.
- (b) The Union will have the right to post any notice outlined in Article 3.05(a) without the prior approval of the General Manager. However, any notice that has the potential to be controversial or makes specific mention of Nanisivik Mine or Breakwater Resources **must** first be reviewed and approved by the General Manager.

The Union agrees that the provision of bulletin boards will not be abused and further agrees that if there is any abuse of this privilege, the Company reserves the right to remove the bulletin boards.

3.06 It is agreed by the parties that all employees are entitled to work in an environment that is free of verbal and sexual harassment and physical abuse. In support of that position, the parties agree that harassment in any form will not be tolerated.

FOUR: MANAGEMENT RIGHTS

4.01 The Union agrees that it is the exclusive and undisputed right of the Company to operate and manage its business enterprise in all respects and in accordance with its commitments and responsibilities except as expressly and specifically limited in writing by this Agreement. Without limiting the generality of the foregoing, the Company shall have the following rights.

- (a) Maintain order, discipline and efficiency.
- (b) To operate and manage its business and direct the work force in accordance with its commitments and responsibilities.
- (c) **To** determine the work to be performed and establish standards, methods, means, procedures and schedules of operations and hours of work.
- (d) To determine the qualifications, job classifications, select, hire, transfer, promote, demote, dismiss, evaluate / test, lay-off, retire at age sixty-five (65), suspend and discharge and otherwise discipline for just cause any employee and to increase or decrease the working force.
- (e) **To** make, alter, amend and enforce rules and regulations to **be** observed by employees and to review and amend those rules from time **to** time and make changes as deemed appropriate by the Company.

All matters concerning the operation of the Company's business not specifically dealt with herein shall be reserved to be Management's rights.

The Company agrees that Management's rights referred to in this Article shall be exercised in a fair and reasonable manner and in a fashion consistent with the terms of this Agreement.

4.02 Although the Company presently has no plans to contract out any work that is currently carried out by a member of the bargaining unit, it does provide the following assurances to the Union.

- (a) The Company will inform the Union as far in advance as **is** possible under the circumstances of any plans to contract out work that may have an impact on the bargaining unit.
- (b) Prior to any contracting out that will have an impact on the bargaining unit, the Company agrees that it will meet with the Local Union executive to explain its plan to use outside contractors and fully discuss the relevant issues that are likely to arise for the bargaining unit.

- (c) At each Union-Management Committee Meeting (Article 19.01) the Company will provide a complete update of any contracting out activities and will discuss in this committee any future plans for the use of contractors.
- (d) Any employee laid off as a result of the use of outside contractors will be entitled to the choice of either:
 - (i) Severance consistent with length of service and shift schedule as set out in Letter of Understanding #13 appended to this collective agreement or;
 - (ii) The right to displace a junior employee subject to the conditions set out at Article 8.11 of this collective agreement.

4.03 Nothing contained in this Agreement shall be deemed to obligate the Company to continue to operate its Nanisivik Mine or any part thereof.

ARTICLE FIVE: UNION REPRESENTATION

- 5.01 The Company recognizes the Union as the exclusive bargaining agent for all employees as defined in Article Two of this Agreement.
- 5.02 The Company shall deduct, as a condition of each bargaining unit employee's continued employment, a sum equivalent to Union dues in the amount certified by the Union to the Company to be currently in effect under the Union's constitution. Such deductions shall be made from each pay period and shall be remitted on a monthly basis to the Union officer designated in writing by the Union.
- 5.03 At the time of making monthly remittances to the Union, the Company will include a statement showing the names of each employee from whose pay deductions have been made and the total amount deducted. Such statement shall also list the names of any employees from whom no deductions have been made and the reason(s) why.
- 5.04 The Union will provide the Company with an acceptable authorization form to be completed by all bargaining unit employees allowing the Company to deduct from their pay the union **dues set** out in Article 5.02.
- 5.05 Upon the execution of this Agreement, the Union agrees to provide to the Company a copy of its most recent Constitution for file purposes. If amendments to the Constitution are subsequently adopted during the life of this Agreement, the Union commits that it will provide updated copies of its Constitution to the Company.

- 5.06 The Union shall indemnify and save the Company harmless against any and all claims, demands, suits or other forms of liability that may arise out of or by reason of action taken (or not taken) by the Company in complying with the provisions of this Article.
- 5.07 The parties agree that every employee must make a decision about union membership and may become a member or refrain from becoming a member **as** he **so** desires. As an introduction to the Local Union, at the time of hiring, when a new employee is undergoing the indoctrination process, the Company agrees that it **will** provide to each new employee a copy of the collective agreement and a current listing of all Local Union executive and committee members.
- 5.08 At the time an employee is provided with the authorization for the Company to deduct and remit Union dues, the employee will also **be** provided with **an** authorization form permitting the Company to deduct an amount specified by the Union to be remitted to the Union Humanity Fund. Participation in the Humanity Fund is a personal choice and no employee will be obliged to make a contribution. Funds collected on behalf of the Humanity Fund will be remitted in the fashion prescribed by the Union on a quarterly basis.
- 5.09 The Union agrees to provide to the Company in a timely fashion a list of all elected Local Union executive members and the post(s) that they hold, as well as **all** members of all Local Union committees. Only those employees whose positions have been made known to the Company will be recognized.
- 5.10 The parties agree that there may be circumstances where an interpreter is required to assist employees, in particular Inuit employees, whose first language **is** not English, in their official dealings with the Company. In such a situation the parties further agree that they **will** make their best efforts to have an interpreter in attendance at all counseling, disciplinary and grievance meetings where such individuals are involved. The parties acknowledge that any person agreeing to provide interpretation services is doing **so** on a voluntary basis and it is acknowledged by both parties that they and the interpreter cannot be held accountable for the interpretation provided.
- 5.11 Except **as** specifically provided elsewhere in this Agreement, there will be no paid time off for Local Union executive and committee members to attend to Local Union business. However, in lieu of paid time off and in an effort to support the Local Union, the Company will provide financial support to the Local Union on a monthly basis. Each month the Company will pay to the Local Union a sum equal to twelve (12) times the rate for job **class** ten (as set out at Appendix "A") at the time the payment is made.

ARTICLE SIX: LEAVES OF ABSENCE

6.01 Subject to the operating requirements of the Company and upon written application with thirty (30) calendar days' notice, leaves of absence without pay shall be granted for bargaining unit employees to attend labour conferences, labour seminars, labour negotiations and the like. Requests for such leaves of absence must be made in writing to the General Manager or his designate. It is agreed that no more than four (4) members of the bargaining unit may be absent from work at any one time and no two (2) employees from the same department may be absent from work at any one time. Any travel costs, including airfares, associated with such leaves of absence will be the responsibility of the Union.

When administering Article 6.01 the parties agree that the time limit referred to (i.e. thirty (30) calendar days' notice) will be honoured wherever and whenever possible. However, if the Union is in a position where they know in advance of thirty (30) calendar days prior to the period that the leave of absence is required, they will be obligated to provide additional notice to the Company. If the Union is not aware of the required leave until sometime less than thirty (30) calendar days prior to the period that the leave is required, the Company will still consider the request and unless operational efficiencies dictate that the request be denied, it will be honoured irrespective of timing.

6.02 Subject to the operating requirements of the Company and upon written application with sixty (60) calendar days' notice, an unpaid leave of absence of up to one (1) year will be granted to a designated member of the bargaining unit for the purpose of servicing the business needs of the Local Union. Such leave may be extended from year to year thereafter, in writing by mutual agreement between the Company and the Union, but in no event will the employee on such leave be absent for a period of greater than three (3) years.

An employee on such approved leave of absence granted under this Article may not return to work until the end of the one (1) year term, whether it is the initial one (1) year term or a one (1) year extension.

If an employee is granted a leave of absence in accordance with this Article, he will continue to accrue seniority for the period he is on approved leave, but the Company will no longer provide normal employee benefits. Should the Union wish to continue such an employee on the benefit program, the Union will pay upon receipt of an invoice all related monthly premiums. For those benefits where the Company has elected to self-insure (e.g. short term disability) the Union will reimburse the Company the full amount actually paid on behalf of the employee during the period covered by the invoice.

6.03 Extraordinary situations not covered by this Agreement may arise from time to time and the Company will consider applications for leaves of absence, under the following conditions.

- (a) A full-time employee who has completed his probationary period may request an unpaid leave of absence, to a maximum of thirty (30) days, provided that he submits to his Department Manager a written request describing the reason for the leave of absence and indicating the duration of the leave.
- (b) A full-time employee who has completed his probationary period may request an unpaid, on-site leave of absence of up to one day, provided that he submits to his Department Manager a request (either verbal or written) describing the reason for the leave of absence and indicating the duration of the leave. Such on-site leaves of absence will be limited to one per rotation.
- (c) An Inuit employee who secures a polar bear tag or a narwhal tag in either of the annual lotteries will be granted an unpaid leave of absence of up to one (1) week each to participate in the hunt(s). In this situation the employee agrees that he will make his supervisor aware of his absence to attend the hunt(s) as soon as he is selected.
- (d) The Company agrees that it will carefully consider each reasonable request for a leave of absence on its merits, but leaves of absence will only be granted where operational efficiencies are not jeopardized.
- (e) Any employee failing to return from an approved leave of absence on the agreed date or who is not granted an extension to an approved leave of absence will be deemed to have terminated his employment with Nanisivik Mine and will be removed from the seniority list. The only exception to this provision will be a delay caused by inclement weather or mechanical delay of the airplane where the employee has reported to the airport as required.

6.04 An employee may not use an on-site leave of absence in conjunction with scheduled days off to leave Nanisivik prior to the commencement of his scheduled vacation or approved leave of absence without the prior approval of his Department Manager.

6.05 In the event of a death in the immediate family of an employee, such employee shall be granted a paid leave of absence of not more than six (6) days at the applicable Standard Hourly Wage Rate (Appendix "A") for the purpose of attending the funeral, provided that he actually loses time from work as a result. The Company reserves the right to request proof of death and / or attendance at the funeral prior to making the payment. For the purposes of this Article dealing with bereavement leave, "immediate family" shall be defined as wife (including common law), husband (including common law), son, daughter, father, mother, brother, sister, grandfather, grandmother, grandson, granddaughter. Also for the purpose of this Article, an "employee" will mean a full-time employee who has completed his probationary period.

- 6.06 In the event of the death of a person other than a member of the immediate family, an employee may make application for an unpaid compassionate leave of absence of up to six (6) days.
- 6.07 In the event a member of an employee's immediate family become critically ill, such employee **will** be granted a paid leave of absence of up to six (6) days duration, at the applicable Standard Hourly Wage Rate (Appendix "A"), **If** that member of the immediate family subsequently passes away, the employee will be granted an unpaid leave of absence of up to six **(6)** days to arrange and / or attend the funeral.
- 6.08 In the event of the death of an employee's spouse or child, the Company will assume the cost of return airfare for the employee to arrange and attend the funeral. For the purposes of this Article, "child" will mean child **by** blood or by legal adoption. Such employee will provide the necessary documentation to the Company and assist with the Company's efforts to secure whatever discounts are available from the airline(s) involved.
- 6.09 For the purposes of determining an employee's eligibility for and entitlement to maternity and parental leaves of absence, the parties agree that they will abide by the Labour Standards Act (R.S.N.W.T. 1988). In the event that there are subsequent modifications to this Act or should the Territory of Nunavut adopt different legislation, the parties agree that they will acknowledge and abide by any such changes.
- 6.10 An employee who is called **as** a subpoenaed witness in a criminal proceeding, provided that the proceeding is not **as** a result of the employee's own actions or involvement, shall make the Company aware of the commitment as far in advance as is possible and will make application for a leave of absence, provided that the employee is scheduled to be at work when he is required to appear **in** court. In this situation, approval for the leave of absence will not be unreasonably withheld. The employee involved will be paid the difference between his applicable Standard Hourly Wage Rate (Appendix "A") and any payment he received from the court for his appearance. It will be the responsibility of the employee involved to present proof of court service and the amount of pay received before the Company makes additional payment.
- If* an employee is subpoenaed for anything other than a criminal proceeding or if the subpoena is the result of alleged wrongdoing on the part of the employee, the leave may be granted but no payment will be made by the Company for any time missed.

- 6.11 If the court duty as described above is in Arctic Bay, and is not brought about by alleged wrongdoing on the part of the employee in question, the Company will make reasonable arrangements for the transportation of the employee and will incur the associated costs. If the court duty requires air transportation, the Company will make the necessary arrangements but the cost of such flights and all other associated travel costs will be the responsibility of the employee. In either event, transportation arrangements will be made in a fashion that will minimize the employee's time away from site while still allowing him to fulfill his court obligations.
- 6.12 If an employee is called upon to serve as a member of a jury in Arctic Bay, he will be granted the necessary leave of absence and daily transportation will be provided. In addition, such an employee will be paid the difference between any pay received from the court for serving as a member of a jury and the Standard Hourly Wage Rate (Appendix "A") he would have received had he reported for work as scheduled.
- 6.13 If an employee is called upon to serve as a member of a jury where air transportation is required, the cost of such air transportation and all other related travel costs will be the responsibility of the employee. In this situation, the employee will be paid the difference between any pay received from the court for serving as a member of a jury and the applicable Standard Hourly Wage Rate (Appendix "A") he would have received had he reported for work as scheduled. If the employee elects to petition the court that attendance for such jury duty would be an undue economic hardship, the Company agrees that it will provide written confirmation of the employee's employment at Nanisivik to the court.
- 6.14 An employee on a personal, approved leave of absence will be eligible for participation in the employee benefit program only for a period of the first thirty (30) calendar days of such leave. Beyond the first thirty (30) days, all entitlements to the employee benefit plans will cease.

ARTICLE SEVEN: PROBATIONARY PERIOD

- 7.01 An employee shall be considered as probationary for a period of ninety (90) consecutive days of actual work. If, during the first ninety (90) such days of actual work his performance, in the sole opinion of the Company, is deemed to be less than satisfactory the Company may discharge such employee without providing any reason and without reference to any provision of this Agreement.

All newly hired employees will be subject to this probationary period as well as any returning employee where their absence from employment with the Company was greater than one (1) year.

7.02 During the probationary period, an employee has no seniority rights under this Agreement. The Company shall not be required to retain him in employment or to re-employ him in the event he is released and such release shall not be subject to the grievance and arbitration procedures.

7.03 Upon successful completion of an employee's probationary period, such employee's 'seniority date shall be his most recent date of hire.

7.04 Except as stipulated below, a probationary employee who is terminated during his probationary period will not be responsible for paying his own return airfare to his point of hire. Under such circumstances, his eligible travelling expenses will be responsibility of the Company.

However, if the termination is the result of the terminated employee having misstated or overstated his qualifications and / or abilities in order to secure the position and upon arriving at Nanisivik it is apparent that the employee is not capable of performing the job for which he was hired due to lack of experience, the employee will be responsible for paying his own return airfare to his point of hire.

Each new employee will be made aware of this provision prior to being hired.

ARTICLE EIGHT: SENIORITY

8.01 For the purposes of this Agreement, there shall be two types of seniority as set out below.

(a) Nanisivik Seniority will be length of time since an employee's most recent date of hire. An employee who has previously worked for Nanisivik Mine or any other Breakwater owned mining operation will not be credited with any previous Nanisivik or Breakwater service for any reason or for any purpose.

(b) Department Seniority will be the length of time since an employee's most recent entrance into a recognized department. For the purposes of this Agreement departments **will** be limited to Mine, Mill, Maintenance and Administration (services), although the Company reserves the right to make changes to the number and composition of departments from time to time as operational and organizational efficiencies require.

8.02 The seniority of an employee shall be lost, his employment shall be terminated and he will be removed from the payroll for any of the following reasons.

(a) Voluntary termination or resignation.

(b) Discharge for just cause and not reinstated through the grievance and arbitration procedures.

- (c) Absent from work without leave (AWOL) for three (3) days in any six (6) month period, without notifying the Company and giving a satisfactory reason acceptable to the Company for his absence. In the event that an employee has been deemed to have terminated his employment in this fashion and is not on-site, the Company shall notify the employee of the discharge by registered mail with a copy of such letter to be provided to the Union.
- (d) **Is** sent a registered letter notifying him of his recall following a lay-off and fails to report to work within five (5) days of his first scheduled shift unless he has contacted the Company and a mutually satisfactory starting date has been agreed upon.
- (e) **Is** laid off by the Company for a period in excess of twelve (12) months.

(9) Retirement.

8.03 Seniority shall be maintained and accumulated under the following circumstances.

- (a) Authorized leave of absence.
- (b) When an employee is transferred to a position outside of the bargaining unit, he shall continue to accumulate seniority for the first six (6) consecutive months that he is removed from the bargaining unit. For a further period of twelve (12) consecutive months the employee will maintain seniority earned to that point, but no new service will be recognized. **An** employee who is removed from the bargaining unit for a period in excess of eighteen (18) consecutive months will forfeit his bargaining unit seniority for all purposes.

8.04 The parties agree that employees, absent **from work** for either compensable or non-compensable illness or injury will be treated in the following fashion.

- (a) For the first twelve (12) months of absence such absent employee will continue to accumulate seniority.
- (b) For the first twelve (12) months of absence such absent employee will continue to **be** entitled to basic employee benefits such as the health care plan, vision care plan, dental plan, life insurance and the like.
- (c) Employees absent for a period in excess of twelve (12) months will continue to maintain seniority but will not accumulate new seniority. On each posted seniority list absent employees as set out above will **be** highlighted in some fashion. Employees will maintain their seniority for the purposes of return to work only.
- (d) Employees absent for a period in excess of twelve (12) months will no longer participate in the employee benefit program.

(e) When an employee is deemed medically fit to return to work to the satisfaction of the Company, he will be allowed to exercise whatever seniority he has to that point to return to a position that he is capable of performing, both in terms of any medical restrictions that may be in place and also his past training and experience.

(9) An employee will remain on the Nanisivik seniority list for the purposes of returning to work until one of the following events occurs.

(i) The employee dies.

(ii) The employee reaches normal retirement age (age 65) and is no longer considered an employee.

(iii) The employee accepts alternative employment either with another employer (including another Breakwater mining operation) or with Nanisivik, but in a non-bargaining unit position.

(iv) The mine ceases operations.

8.05 In all cases of promotion, demotion, transfers and other similar movement of employees, both within and between departments, senior employees shall be granted preference provided that amongst the eligible employees being considered, the senior employee has relatively the same level of qualifications, aptitude, knowledge, skill and physical ability required by the position in question. Determination of necessary qualifications as well as employee aptitude, knowledge, skill and physical ability will be carried out by the Company in a fair and reasonable manner. An employee will not be promoted until a vacancy develops within a higher classified position.

8.06 When a permanent vacancy occurs or a new or combined position is created by the Company within the bargaining unit, the Company shall post a notice of the vacancy for a period of fifteen (15) calendar days. The notice will contain an outline of the duties of the position, the qualifications required, the hours of work and shift rotation (where applicable) and the hourly rate of pay. When **job** vacancy notices are posted a copy of the notice will also be provided to the Union.

An employee who wishes to be considered for a posted position will complete an application form in writing and submit it to the Administration Department within the posting period. Only an employee who has successfully completed his probationary period will be considered for a posted vacancy.

The determination of the successful applicant will be in accordance with the factors set out in Article 8.05. The name of the successful candidate will be posted on the bulletin boards where the notice of the job vacancy was posted, and a copy of this notice will also be provided to the Union. If there *is* no suitable internal candidate, the Company reserves the right to hire from outside to fill the vacancy.

The successful applicant on a job posting will be paid at the rate of the posted position, although the Company reserves the right to impose learner rates on any bargaining unit position. Learner rates will be applied to “stand-alone” jobs only, such as the Warehouse, and will be consistent with the complexity of the position. Where learner rates are to be applied, the job posting will set out the hourly rates to be used and the various rates to be paid before the full rate is achieved. In the event a position is being filled from outside of the Company, the Company also agrees that it will make all candidates for the position aware of the imposition of such learner rates.

- 8.07 An employee who is offered a position as the result of a job vacancy posting (Article 8.06) and who subsequently rejects the position when it is offered will not be eligible to bid on another job for a period of nine (9) months.

An employee who is offered a position as the result of a job vacancy posting (Article 8.06) and who accepts the position will not be eligible to bid on another job for a period of twelve (12) months from the date he commences employment on the job awarded.

An employee who accepts a position as the result of a job vacancy posting and assumes that position but is unable to perform the job to an acceptable standard within a reasonable period of time consistent with the nature of the position, but in any event not more than ninety (90) days, will be reassigned by the Company to another job (which may include his previous job) within Nanisivik consistent with his seniority and qualifications.

- 8.08 The Company may temporarily assign employees under the following circumstances.

- (a) To fill permanent vacancies and / or new positions until such positions are filled through either the job vacancy posting process (Article 8.06) or the external hiring process.
- (b) Temporary vacancies such as vacancies created by equipment breakdown, vacations, emergencies, illness, accident, leave of absence, special projects or any other reason where the nature of the vacancy is not permanent and will not be subject to the job vacancy posting process as set out in Article 8.06 and may be filled by temporary assignment.

In neither event will the vacancy be filled temporarily for a period in excess of ninety (90) days.

- 8.09 An employee who is temporarily transferred from one job to another (either within or between departments) will be paid at his Standard Hourly Wage Rate (Appendix “A”) or the Standard Hourly Wage Rate (Appendix “A”) of the job to which he is temporarily transferred, whichever is greater.

- 8.10 Subject to the needs of the operation for particular positions to be filled or particular employees with unique skills to be present, employees shall be laid off in reverse order of their seniority and shall be recalled to their former jobs in order of their seniority provided that they have the qualifications, aptitude, knowledge, skill and physical ability (as demonstrated with the Company) to perform the job. Notice of recall shall be sent by registered mail to the last known address of the employee as provided to the Company by the employee.
- 8.11 In the event of a permanent lay-off (a lay-off of greater than thirteen (13) weeks) a senior employee will have the right to displace a junior employee in a lower classification provided the senior employee has the qualifications, aptitude, knowledge, skill and physical ability to perform the job in question provided he is granted a familiarization period of not more than two (2) days. An employee who elects to displace a more junior employee must make the Company aware of his intentions in writing within five (5) working days of being notified of his layoff and must also indicate the junior employee to be displaced and the job involved.
- 8.12 The Company will prepare a seniority list within three (3) months of the ratification of this Agreement and will revise such list every three (3) months thereafter. Copies of the seniority list will be posted on the Union bulletin board for review by all employees, and a copy will also be made available to the Local Union. Upon posting the seniority list employees and the Union will be obligated to review its contents and notify the Company, in writing, of any errors or omissions, within fifteen (15) days of the date that the list is posted. If no complaint is received within that period alleging an inaccuracy, then the list will be deemed to be correct until the next time that it is posted. If errors are identified and confirmed, changes will be made prior to the next posting of the list, but no claim for retroactivity will be honoured in this situation whether raised by the Union or an employee.
- 8.13 In the event there is a need for a temporary layoff caused by equipment breakdown, **loss** of power, fire, accident, act of God or any circumstance beyond the control of the Company, reductions to or reassignments within the workforce may be accomplished in a manner consistent with the most efficient and economical operation of the mine as determined by the Company, with regard to seniority only where it is practical to do so. However, the Company will make its best efforts to ensure that seniority is taken into full consideration as quickly after the incident as is possible under the circumstances, but in any event, this will not be greater than fifteen (15) days following the incident.
- 8.14 Should an employee wish to view his personnel file, he may do so by making a request to the Administration Department, giving at least twenty-four (24) hours notice of the time he wishes to view his file. Such arrangements can only be made and viewing completed during regular working hours, at a time convenient to the Company. Under no circumstances will an employee be allowed to make a copy of his personnel file nor will copies be made for employees. The parties agree that the employees involved will exercise this right reasonably and in good faith.

8.15 Except as stipulated below, where an employee completes eighteen (18) months of active service free of any disciplinary action, his previous disciplinary record will not be referred to or considered in establishing any future discipline for him. Any employee disciplined for a serious safety violation where the consequence or potential consequence was severe injury or death of himself or a coworker or where there is actual or potential severe damage to Company property, **will** have such discipline maintained on his file for a period of three (3) years.

Prior to issuing written discipline to any employee, the Company will first make such an employee aware of his privilege of having a union representative present during the disciplinary session. Should the employee elect not to have union representation present, the disciplinary session will proceed in any event. A copy of any written discipline to be placed in the employee's file, will first be provided to the employee.

8.16 The Company agrees that a copy of **all** entry-level job postings for bargaining unit positions will be made available to the community of Arctic Bay and will be posted at Arctic Bay for **viewing**. Interested residents of Arctic Bay must apply on these postings within the time limits prescribed at Article 8.06 of this Agreement.

ARTICLE NINE: GRIEVANCE PROCEDURE

9.01 The purpose of this Article is to establish a procedure for the discussion and prompt settlement of grievances arising from the application, administration or interpretation of the provisions of this Agreement. Grievances may be filed by an individual employee or by a group of employees, but Policy grievances may only be filed by a designated Local Union Representative.

Nothing in this Agreement shall be construed to limit or impair the right of any employee to present, through normal channels, any complaint directly to any appropriate representative of the Company or to restrict the Company from making settlement with respect to any such complaints, provided such settlements are consistent with the terms of this Agreement.

9.02 Any employee who believes that he has a legitimate grievance with respect to the interpretation or administration of this Agreement will first discuss the matter with **his** immediate supervisor. Such discussion with his supervisor must take place within three (3) calendar days of the day of the event giving rise to the discussion or within three (3) calendar days of the first opportunity that the employee **should** rightfully have known of the event. If the employee and his supervisor are able to resolve the issue to their mutual satisfaction then advancing the matter to the formal grievance procedure is not warranted. If the matter cannot be resolved between the employee and his supervisor based on this discussion, then the employee is able to file a formal, written grievance if he so chooses. During these discussions with his supervisor, the employee may be accompanied by a union representative if he so elects.

- 9.03 **STEP ONE** Within three (3) days of his discussion with his supervisor, if an employee is not satisfied with the response received, he or his Union representative acting on his behalf, may file a written grievance with the supervisor. Such written grievance must clearly define the nature of the claim, the article(s) of the Agreement that have been violated and the remedy being sought by the grieving employee. A grievance that is not completely filled-out may be returned to the grievor or his Local Union representative in which case it will not be processed until it fulfils the requirements of this Article. The supervisor will have three (3) days from receipt of the written grievance to complete an investigation of the facts, which may involve meeting with the employee who has initiated the grievance and / or his union representative. Upon completion of the grievance investigation the supervisor will respond to the grievance in writing.
- 9.04 Any agreement reached between a supervisor and an employee alleging a violation of this Agreement either at the informal stage (Article 9.02) or at Step One of the formal grievance procedure (Article 9.03) will be without prejudice or precedent and will not be taken into consideration in any other discussion.
- 9.05 **STEP TWO** If the response given at Step One is not satisfactory to the Union, within five (5) days of receiving the written response it may be advanced to Step Two where it will be dealt with by the appropriate Department Manager. Within five (5) days of being advised that the matter has been advanced to Step Two and receiving the written grievance from the Union, the Department Manager will conduct an investigation of the issues (which may or may not involve a meeting with the grievor and / or union representative) and will provide a written response to the grievance.
- 9.06 **STEP THREE** If the response given at Step Two is not satisfactory to the Union, within ten (10) days of receiving the written response it may be advanced to Step Three where it will be dealt with by the General Manager. Within fifteen (15) days of being advised that the matter has been advanced to Step Three and receiving the written grievance from the Union, the General Manager will conduct a thorough and complete investigation of the issues (which may or may not involve a meeting with the grievor and / or union representative) and will provide a written response to the grievance.
- 9.07 If the Union is not satisfied with the response to the grievance provided by the General Manager at Step Three, within thirty (30) days of having received the written response from the General Manager, the Union may elect to advance the matter to arbitration.
- 9.08 Unless it has been agreed between the parties that the time limits will be waived, extended or otherwise modified for a specific situation, if the Union or the employee involved does not advance a grievance to the next step of the grievance procedure (including arbitration) within the time limits set out above, the grievance shall be considered as withdrawn and will be the subject of no further discussion.

Any request for an extension to time limits set out above must be in writing to the other party, and the parties (if the extension is agreed upon) must stipulate the revised deadline. In considering a request for an extension of deadlines, the parties agree that they will be reasonable and will take into consideration the difficulties of scheduling at Nanisivik caused by extended absences from site.

Any reference to “days” in this Article except as stipulated otherwise will be deemed to be working days which will exclude Sundays and all paid holidays.

9.09 A grievance that alleges that an employee has been suspended or discharged without just cause may be filed at Step Three of the grievance procedure, provided that it is done within three (3) calendar days following the issuance of the suspension or discharge of the employee.

9.10 Any issue raised by the Company concerning the interpretation, application, operation or alleged violation of this Collective Agreement must be submitted by the Company to the Union President (or his designate) within ten (10) days of the event giving rise to the grievance. Any grievance filed by the Company against the Union will be treated as if it had been filed at Step Three of the grievance procedure and the Company will have the right to advance the matter to arbitration if it is not satisfied with the Union’s response at Step Three.

9.11 The procedure for settling grievances set out above shall be strictly adhered to, but the Union shall have the right to refer any dispute regarding the interpretation, application or administration of this Agreement directly to Step Three of the grievance procedure where it can be demonstrated to the General Manager’s satisfaction that:

- (a) there is no aggrieved employee(s) able to be identified at the time the issue arose; or
- (b) the grievance involves Company policy in which case the grievor or grievors involved must be identified on the face of the grievance form; or
- (c) as set out in Article **9.09** the grievance alleges the improper suspension or termination of an employee’s employment.

9.12 If the facts alleged in a situation involving a number of employees are identical and the remedy being sought is the same, a decision for one situation will be applied to all similar situations without the necessity of filing a number of individual grievances. However, in order to be entitled to such consideration, the names of the employees to be considered must be provided when the original grievance is filed and the grievance must be filed within the time limits set out above.

9.13 **As** much as possible and practical the parties agree that grievance meetings should be held during normal working hours, although they agree that there may be circumstances where such meetings must be held during non-working hours.

In order to attend a grievance meeting, the Grievance Committeeman involved and / or the grievor must first obtain permission from the appropriate supervisor to be absent from his place of work. If attendance at such meeting requires entering another department or area of the operation, permission from the appropriate supervisor from that other area must **also** be obtained.

Time spent attending grievance meetings with the Company will be counted as time worked.

ARTICLE TEN: ARBITRATION

10.01 In the event a settlement is not reached in accordance with Article Nine of this Agreement and only after this grievance procedure has been exhausted, if the aggrieved party elects **to** advance the matter to arbitration, written notice must be served on the other party no later than thirty (30) days after receipt **of** the response from Step Three as set out in Article 9.07. Grievances advanced to arbitration will be scheduled based on the date that they were advanced to arbitration.

10.02 The **parties** shall choose an Arbitrator in rotation from the following mutually agreed list of Arbitrators;

- (1) William Kaplan
- (2) Al Hinnegan
- (3) Brian Keller
- (4) Bruce Welling

Any arbitration hearing convened will be heard at **Nanisivik, NT** or the parties may agree in writing that the situation warrants moving the hearing to another specified location.

10.03 If the scheduled Arbitrator is not available for a hearing within forty-five **(45)** calendar days of being contacted (or in the event of a discharge case thirty (30) calendar days) then the next Arbitrator on the list will be contacted. This process will be followed until an Arbitrator on the list can be found who is able **to** hear the matter within the time limits provided. If an Arbitrator from the list cannot be found who is able to convene **a** hearing within the time limits provided, and if the parties cannot agree to extend the time limits to accommodate the Arbitrator who would be available first among the four noted above, then the following steps will **be** taken.

- (a) The parties will meet in an effort to find an impartial Arbitrator (other than the ones on the list) who would be prepared to convene a hearing within the time limits established above.
- (b) If the parties cannot agree upon an impartial Arbitrator, then they will jointly request of the Federal Minister of Labour that an Arbitrator be appointed to deal with the matter.

10.04 Any grievance not scheduled to be heard by an Arbitrator within ~~one~~ **one** (1) year of the date that notice was served that the matter would be referred to arbitration, unless extended by mutual agreement in writing, will be considered abandoned without prejudice.

10.05 The Arbitrator shall have jurisdiction and authority only to interpret and apply the provisions of this Agreement insofar as it may be necessary to the determination of a difference referred to arbitration, but shall not have the jurisdiction nor the authority to alter, amend, add to or delete from any part of the provisions of this Agreement. As well, the Arbitrator shall not make any decision that is inconsistent with the terms of this Agreement nor shall any past practices or customs become binding upon the parties unless they are in writing between the Company and the Union. The Arbitrator shall not make any award retroactive beyond the date the grievance was first presented in written form at Step One of the grievance procedure (Article 9.03).

10.06 The decision of the Arbitrator shall be final and binding upon the parties.

10.07 Each party shall be responsible for the expenses of their witnesses and anyone else they may elect to have in attendance at the arbitration hearing. The cost of the Arbitrator, including any associated travel costs, will be borne equally between the parties.

10.08 No person will be permitted to serve as an Arbitrator who has been involved in any fashion in any effort to resolve the grievance at any step of the grievance process.

10.09 In an effort to minimize cost and scheduling difficulties, ~~two~~ **two** (2) or more grievances may be presented to an Arbitrator during the same session where the parties (including the Arbitrator) agree.

ARTICLE ELEVEN: DISCHARGE ISSUES

11.01 In the event of a grievance dealing with a discharged employee, all reasonable steps will be taken to ensure that such a grievance is discussed and dealt with in a timely fashion. In addition to the steps set out in Articles Nine and Ten above, it is agreed that if there is a grievance dealing with a discharge it will be scheduled for a hearing before other grievances that may have been filed earlier.

ARTICLE TWELVE: HOURS OF WORK

12.01 This Article is intended solely to define the normal hours of work and shall not be construed to be a guarantee of hours of work per day or per week or days of work per week.

For the purposes of this Agreement, the following shall apply:

(a) A “day” is defined as a period of twenty-four **(24)** consecutive hours commencing at the start of an employee’s first scheduled shift on a calendar day. It is recognized and agreed that the maximum hours of work shall not exceed sixteen **(16)** hours in any twenty-four hour period.

(b) A “week” is defined as a seven (7) day period commencing with the night shift on Sunday.

12.02 The Company shall determine the hours worked in a day and the days worked **in** a week and it **is** recognized that these arrangements may have to be altered from time to time to meet operational requirements. As well, the Company will establish shift starting times and these too may have to be altered from time to time to meet operational requirements.

12.03 As far as is practicable in accordance with good operating procedures, the Company will endeavour to schedule employees who are not on a rotating shift basis, to work either a five (5) day work week or a six (6) day work week, dependent upon the requirements of the position. For employees who work on a five (5) day per week shift schedule, the Company also commits to make its best efforts for such employees to be scheduled to work Monday to Saturday only and to have ~~two~~ consecutive scheduled days off wherever possible.

12.04 Weekly work schedules shall be posted each week and any changes to the work schedule **will** be communicated to the employee involved in person or **by** posting **a** revised schedule. If it **is** necessary to make a change to the shift schedule after it is posted and the employee involved is not given at least twenty-four **(24)** hours’ notice of the change, the employee will be paid at applicable overtime rates for the first shift of the revised schedule.

12.05 **All** overtime will be paid at the rate of time and one-half (1.5x) the Standard Hourly Wage Rate as set out at Appendix “A” of this Agreement.

12.06 Overtime will be distributed as equitably as practicable amongst those employees who normally perform the work and **who** are on the same **shift** and rotation as the employee(s) who actually perform the overtime work. An employee **will** be charged with overtime work refused. All overtime actually worked and all refusals of overtime will be recorded and posted at least once per month.

- 12.07 For any overtime opportunity that requires transportation to and / or from an employee's residence, it will be the responsibility of the Company to provide such transportation. For the purposes of this Article, "residence" will be restricted to Nanisivik or Arctic Bay.
- 12.08 During a regularly scheduled shift of at least nine (9) hours in duration an employee will be eligible for paid breaks totaling sixty (60) minutes. The distribution and timing of those breaks will not interfere with the efficient operation of the enterprise. The parties also recognize that the timing and distribution of these breaks cannot be at a fixed time and must be responsive to the requirements of the operation. The parties also recognize that due to the critical nature of some occupations, breaks must be taken at the workplace.
- 12.09 Unless informed in advance by the Company not to report to work as scheduled, should an employee report for his regular shift and then be informed by his supervisor that his regular job is not available to him on that day, for whatever reason, the employee will have the following options.
- (a) **If** other duties are available and offered to him by his supervisor, he may elect to remain at work and carry out those duties. In the event that he accepts these other duties, the employee will be paid his Standard Hourly Rate of pay (Appendix "A") and will be guaranteed no less than four (4) hours work at his Standard Hourly Wage Rate (Appendix "A"). The parties agree, however, that it would be preferable if the employee was allowed to work for the normal duration of his shift, performing these other duties.
 - (b) If other duties are made available to the employee and he declines, he will leave the work site for that day and will not be paid.
 - (c) **If** the employee was not made aware of the lack of work in advance and if other duties are not available to the employee on that day he will be paid four (4) hours at his Standard Hourly Wage Rate (Appendix "A") as a reporting allowance.
- 12.10 From time to time employees will be called upon to work for extended periods (i.e. six hours or more) at the conclusion of their regularly scheduled shifts. In such instances, employees will be sent home during their scheduled shifts and will be paid at the applicable Standard Hourly Wage Rate (Appendix "A") for the balance of their scheduled shifts. Such employees will then be required to report to work at the time their scheduled shift would normally conclude to resume working. All hours worked following the scheduled conclusion of the shift will be paid at the rate of time and one-half. Under such circumstances an employee may be required to work for as many as twelve (12) hours although the Company will take reasonable steps to minimize the number of hours that such an employee will be required to work.

ARTICLE THIRTEEN: SHIFT SCHEDULES

- 13.01 The current shift schedules (“13+3 and “9+3”) will continue with the existing rules pending the introduction of the new shift schedules (“8+4” and “12+4”) as set out in Letter of Agreement 12 of this Agreement.
- 13.02 The current rules governing the management and administration of the **two** existing shift schedules will remain in place.

ARTICLE FOURTEEN: WAGES

14.01 The revised wage table is set out at Appendix “A” to this Agreement and will be effective the first day of the pay period following the date of ratification of this Agreement. Employees will be entitled to wage increases in accordance with the following schedule. Appendix “A” will establish the “Standard Hourly Wage Rate” for each classification.

- YEAR ONE:** A wage increase of 4.0% for all classifications.
- YEAR TWO:** A wage increase of 2.5% for all classifications.
- YEAR THREE:** A wage increase of 2.5% for all classifications.
- YEAR FOUR:** A wage increase of 4.0% for all classifications.

14.02 The revised table setting out Room and Board rates is located at Appendix “B” to this Agreement. Employees in shared accommodations will be entitled to decreases to Room and Board in accordance with the following schedule, with the exception of the **Pamo** Building where a flat rate will continue to apply. These decreases will be effective the first pay period following the date of ratification of this Collective Agreement.

- YEAR ONE:** A decrease of Room & Board of 25% of current rates.
- YEAR TWO:** A decrease of Room & Board of 50% of current rates.
- YEAR THREE:** A decrease of Room & Board of 75% of current rates.
- YEAR FOUR:** A decrease of Room & Board of 100% of current rates.

ARTICLE FIFTEEN: VACATIONS

- 15.01 For the period that employees continue to work the 13+3 and 9+3 shift schedules their vacation entitlements and the method of calculating vacation pay will remain in place.
- 15.02 Following the implementation of the 8+4 and 12+4 shift schedules, employees will receive vacation pay in accordance with Appendix "C" of this Agreement.

ARTICLE SIXTEEN: PAID HOLIDAYS

- 16.01 The Company shall recognize the following ten (10) paid holidays each year.

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day
Canada Day	Christmas Day
Civic Holiday	Boxing Day

- 16.02 The parties agree, should the Territory of Nunavut adopt legislation declaring an annual, statutory holiday celebrating the creation of the Territory, this day will be added to Article 16.01 and will be celebrated in the fashion prescribed by the legislation.

In the meantime, and as an interim measure only, each April 01st all Inuit employees wishing to take an unpaid leave of absence on that day to celebrate the creation of the Territory of Nunavut will be given the opportunity to **do so**.

- 16.03 An eligible employee (as defined in Article 16.05) who is required to work on one of the above-listed statutory holidays (Article 16.01) will be paid at overtime rates (one and one-half times their Standard Hourly Wage Rate (Appendix "A")) for each hour worked. In addition, each such employee will also receive the number of hours they would normally have worked on that day times their Standard Hourly Wage Rate (Appendix "A") . Overtime rates will not be compounded.
- 16.04 An eligible employee (as defined in Article 16.05) who is not required to work on **one** of the statutory holidays listed above (Article 16.01) will be paid statutory holiday pay equal to the number of hours they would have worked on that day times their Standard Hourly Wage Rate (Appendix "A").

16.05 An employee is not entitled to statutory holiday pay as defined above if:

- (a) he is absent without approved leave on *his* last scheduled shift prior to the paid holiday or his first scheduled shift following the paid holiday; or
- (b) he is absent due to an extended approved leave of absence; or
- (c) he has been an employee of the Company for a period of less than thirty (30) days; or
- (d) he is scheduled to report for work on the paid holiday and does not report as scheduled; or
- (e) he is in receipt of disability benefits for a non-occupational injury or illness or Workers' Compensation benefits as a result of a compensable injury or illness.

ARTICLE SEVENTEEN: HEALTH AND SAFETY

17.01 The Company and the Union recognize the benefits to be gained from a safe and healthy place of employment and agree that they shall cooperate in the promotion of solid safety practices in support of their joint goal of accident prevention and the elimination of health hazards.

17.02 The Company, the Union and the employees of Nanisivik Mine each recognize that they have an important role to play in the area of health and safety. More specifically, these parties also acknowledge that they have certain obligations and responsibilities under the terms of the ***Mine Health and Safety Act (R.S.N.W.T. 1996)*** and agree that they will abide by the terms of this legislation.

17.03 The Company and the Union shall establish and operate a Joint Safety and Health Committee in accordance with the legislative requirements of the ***Mine Health and Safety Act and Regulations (R.S.N.W.T. 1996)***.

17.04 It shall be the responsibility of the Joint Safety and Health Committee to:

- (a) ensure monthly inspections of all operating areas; and
- (b) meet monthly to address all safety and health matters that may have arisen between the parties since the time of the last meeting; and
- (c) ensure all accidents involving **loss** of life or disabling injury and all incidents resulting in or having the potential for **loss** of time by an employee are investigated fully and make recommendations for remedial or preventative action; and
- (d) make recommendations for modifications to any of the safety procedures, practices, policies or guidelines that are currently in place.

- 17.05 An employee may choose to refuse work that he believes to be unsafe in accordance with the ***Mine Health and Safety Act (R.S.N.W.T. 1996)***. In the event that an employee chooses not to work for this reason, the procedure set out in the Act will be followed.
- 17.06 Should an employee be disabled due to an occupational injury or illness and is offered modified duty by the Company, consistent with any physical or medical limitations that may be in place, such employee will have his Standard Hourly Wage Rate (Appendix "A") maintained where the modified duty offered pays less than the position he occupied at the time of his industrial injury or illness. In the event the position involved with the modified duty has a higher Standard Hourly Wage Rate (Appendix "A") than the position the employee occupied at the time of the industrial injury or illness, the employee will be paid that higher rate.
- 17.07 When an accident report is completed on behalf of an employee and filed with the Workers' Compensation Board, a copy of the form filed with the Board will be provided to the employee involved.

Should the Company elect to challenge the validity of a claim made with the Workers' Compensation Board, the employee involved and the Local Union will be advised.

- 17.08 With respect to significant health and safety concerns such as personal protective equipment, the presence of existing or installation of new safety devices and practices and the introduction of changes and improvements which may occur from time to time, the parties agree that they will cooperate with the Joint Safety and Health Committee in the fulfillment of their mandate.
- 17.09 The Company agrees that it will continue with its current practice of payment for members of the Joint Safety and Health Committee, but in any event any payments made to members of the Committee will not be less than prescribed by the ***Mine Health and Safety Act (R.S.N.W.T. 1996)***.
- 17.10 The Company agrees to pay the cost of providing one (1) initial pair of safety glasses for an employee who requires corrective lenses and one (1) additional pair per year thereafter. Such corrective safety glasses must be ordered by the Company to qualify for payment and must be in accordance with Canadian Standards Association specifications. The Company also has in place a requirement that all prescription safety **glasses** worn on the property must have either polycarbonate or plastic lenses.

When an employee's corrective safety lenses become pitted, scratched or otherwise damaged on the job, to the extent that wearing them represents a danger, the glasses will be replaced by the Company, provided that at least six (6) months has lapsed since the last time the prescription safety glasses were replaced.

17.11 In an effort to assist employees with the purchase of necessary personal protective equipment, arctic clothing and other items, the Company is prepared to pay to each full-time employee an allowance in accordance with the following schedule.

YEAR ONE: \$300 per each eligible full-time employee

YEAR TWO: \$300 per each eligible full-time employee

YEAR THREE: \$300 per each eligible full-time employee

YEAR FOUR: \$300 per each eligible full-time employee

Only those employees who are required as a condition of their employment to wear safety footwear when carrying out their duties will be entitled to the allowance as set out above.

It is understood that this allowance paid to employees will be treated as a taxable benefit and employees will be responsible for paying their own income tax on this allowance. This allowance will be paid to all eligible employees within thirty (30) calendar days of the ratification of this Agreement and on an annual basis thereafter.

ARTICLE EIGHTEEN: UNION OFFICE SPACE

18.01 Subject to the following conditions, the Company agrees to provide to the Local Union reasonable office space where they will be able to conduct their Local Union business in privacy. The parties agree that it is not in their best interest to have the office situated at the Dome and for that reason space that **is** currently used as accommodations will be converted into office space. The terms and conditions of this arrangement are as follows:

- (a) It will be the responsibility of the Local Union to furnish the office and to provide office equipment.
- (b) It will be the responsibility of the Local Union to arrange for the installation of lines to accommodate telephone and facsimile.
- (c) It will be the responsibility of the Local Union to inspect the office at least daily to ensure that the furnace is operating properly and the water pipes are not frozen.
- (d) The Union agrees that they will be considerate of the other residents of the building where their office **is** situated and agree to adhere to the rules normally applicable to private accommodations.

(e) The office space is intended for office use only and will not be used as alternative accommodations.

Should there be any abuse of this privilege, the Company reserves the right to provide the Union with thirty (30) days' written notice that office space will no longer be provided.

ARTICLE NINETEEN: UNION I COMMITTEE

19.01 The Company and the Union recognize the mutual benefit of ongoing consultation and communications. Without limiting the opportunities for the Company and the Union to utilize other avenues of communications, the parties agree to establish a Union – Management Committee. The Committee will meet no more often than once every three (3) months at times that are mutually agreed. Only agenda items submitted by either side at least five (5) days in advance of the date of the meeting will be discussed. The Committee will be limited to three (3) representatives of the Company and three (3) representatives of the Union. The duration of the meetings should be consistent with the number and complexity of the topics being discussed, although the parties agree that the outstanding issues should be discussed in approximately two (2) hours.

ARTICLE TWENTY: TOOLS

20.01 All necessary tools to carry out work duties in a safe and efficient fashion will be supplied by the Company. Journeymen will be supplied with a toolbox fully equipped with the standard tools required to carry out the duties of that trade. Should tools be lost, stolen, worn or damaged the Company will replace such tools. For tools that are worn or damaged, the worn / damaged tools must be turned in before replacements are issued.

ARTICLE TWENTY-ONE: EMPLOYEE BENEFITS

21.01 LIFE INSURANCE

The Company will pay the premiums for each employee for Basic Life Insurance of two times annual earnings to a maximum of \$100,000, through a carrier selected by the Company. The terms and conditions of the policy of the carrier shall form part of this Agreement. The highlights of the policy include the following.

(a) All employees will be required to select a beneficiary for their life insurance benefits and are free to change that beneficiary from time to time.

- (b) Upon the death of a spouse an eligible employee will be entitled to a payment of \$10,000. Upon the death of a dependent child an employee will be entitled to a payment of \$5,000.
- (c) Employees will be able to purchase optional life insurance in increments of \$10,000 to a maximum of \$250,000. In order to qualify for optional life insurance an employee may be required to undergo a medical evaluation to determine insurability.
- (d) When an employee is disabled for a period of greater than six (6) months and premiums for his basic life insurance have been waived by the carrier, upon application the premiums may also be waived for the optional life insurance.
- (e) The Company will pay the premiums for each employee for Accidental Death and Dismemberment (AD&D) insurance through a carrier selected by the Company. The terms and conditions of the policy of the carrier shall form part of this Agreement. The beneficiary of an employee who suffers an accidental death will receive an amount equal to two times annual earnings to a maximum of \$100,000. Employees will be entitled to payments of lesser amounts for significant injury involving the loss of limbs, as set out in the policy.

21.02 SHORT TERM DISABILITY

The Company has elected to self-insure the Short-Term Disability benefit and **has** no immediate plans to change or amend this arrangement. However, should the Company elect to change this arrangement during the life of this Collective Agreement it will first make the Union aware of its decision. It also commits that any *Short-Term* Disability plan entered into with an independent insurance carrier would provide a benefit no less than the benefit currently in place.

The highlights of the Plan are **as** follows:

- (a) Employees must serve a waiting period of two (2) consecutive days before they are entitled to any short term disability benefits as provided by this Plan, That is, unless as stipulated below, an employee who is absent from work due to a non-occupational injury or illness will not receive any pay from the Company for the first **two** (2) days of absence.
- (b) **An** employee who has served his two consecutive day waiting period will be eligible for a benefit equal to 100% of his Standard Hourly Wage Rate (Appendix "A") times the regular duration of his shift for a period of four **(4)** consecutive working days. Following this initial period of six (6) consecutive days in total, employees will be entitled to a payment equal to 50% of their Standard Hourly Wage Rate (Appendix "A") times the duration of their customary shift until they are eligible to receive LTD benefits as set out as Article 21.03 of this Agreement.

- (c) The waiting period of *two* (2) consecutive working days will be waived if the employee is hospitalized. For the purpose of this Article hospitalized shall mean a period of at least eighteen (**18**) hours during which an employee must stay in the hospital, or when the employee is in the hospital to undergo procedures which are medically necessary and may only be performed in a hospital and involves a condition which is medically disabling.
- (d) An employee who develops a non-occupational illness or suffers a non-occupational injury while out on vacation must complete his period of vacation before he will be eligible for short-term disability benefits. **If**, at the conclusion of the vacation period an employee is not medically able to return to work he must serve the waiting period of *two* days and will not receive payment until the third day of absence. For an employee who is off-site when the non-occupational injury or illness occurs, the short-term disability payment will be **50%** of his earnings, based on his regular schedule and his Standard Hourly Wage Rate (Appendix "A").
- (e) In all cases, the Company reserves the right to require an employee to undergo a medical examination with a physician or specialist **of** the Company's choice.
- (f) Short term disability requires that the employee is hospitalized, immobilized and confined to his home or is convalescing from a surgical procedure that would totally impair his ability to carry out his normal duties. Medical evaluations, appointments and test even when conducted in series will not qualify for payment under this plan. Forms provided by the Company must be completed by the attending physician or specialist and returned to the Company every two (2) weeks.
- (g) An employee not qualifying for Short term disability payments under Section **(9)** above may be granted an unpaid medical leave **of** absence upon application to his Department Manager. **This** unpaid medical leave of absence is available to those employee where there are medical reasons that render the employee in a condition other than hospitalized or immobilized. The **Company** will provide to any such employee a Record Of Employment on his fifth (5th) day of absence in an effort to assist the employee to secure Employment Insurance benefits.

The Company agrees that in all cases of administering the sick leave and short term disability programs it **will do so** in a fair and reasonable fashion. If the Union does not feel that the Company is being fair and reasonable in a particular instance, it has the right to file a grievance on behalf of the employee involved, whom the Union feels is aggrieved.

21.03 LONG TERM DISABILITY

The Company will arrange a Long Term Disability (LTD) Plan with a commercial carrier. The terms of the plan shall form a part of this Agreement. Employees will be eligible for coverage under this Plan consistent with the following guidelines.

- (a) The LTD Plan is available to eligible employees following a continuous absence of 180 days due to a non-occupational illness or injury, and only after Short-Term Disability coverage ceases.
- (b) At collective bargaining it was agreed that effective immediately upon ratification of this Collective Agreement any subsequent recipient of LTD benefits would receive 60% of pretax monthly earnings to a maximum of \$3,000 (previously \$2,000). This payment **will** be offset by funds received from other sources as provided by the plan.
- (c) The LTD premiums paid on behalf of the employees are treated as a taxable benefit of employment and are taxed at source. For that reason, the LTD benefits paid to eligible employee are not subject to further taxation at source.

21.04 HEALTHCARE BENEFITS

The Company will pay the premiums of a Healthcare Plan for all employees and eligible dependents through a carrier selected by the Company. The terms and conditions of the carrier shall form a part of this Agreement. The features of the plan are as follows:

- (a) There will not be a deductible in place for the use of this Plan.
- (b) Emergency services claimed through Global Medical Assistance plan will be reimbursed at the rate of 100%. All other eligible expenses will be reimbursed at the rate **of** 90%.
- (c) It was agreed during collective bargaining that effective immediately upon ratification of this Agreement, the vision care benefit will be increased to \$200 every 24 months from its current level of \$150 every 24 months.
- (d) It was agreed during collective bargaining that eligible employees would be issued with pay-direct drug cards. A maximum **of two (2)** drug cards will be issued per family and where two drug cards are issued one will be for the employee and one will be for his spouse (where applicable). The issuance of pay-direct drug cards is subject to the conditions set out at Letter of Agreement #15 appended to this Agreement.

21.05 DENTAL PLAN

The Company will pay the Dental Plan premiums for all employees and their families through a carrier selected by the Company. The terms and conditions of the policy of the carrier shall form part of this Agreement. The features of the plan are:

- (a) Basic and Major coverage will provide for 80% reimbursement and a combined maximum of \$2,000 per calendar year.
- (b) Accidental Dental Injury coverage will be reimbursed at the rate of 100% and will not be subject to an annual maximum.
- (c) The plan will not have a deductible and payments will be based on the dental association fee in effect in the province where treatment is rendered at the time the expense is incurred.

21.06 REGISTERED RETIREMENT SAVINGS PLAN

The Company will provide a group RRSP through a carrier selected by the Company, with all full-time employees being eligible to join, in accordance with the following requirements. Participation is voluntary and left to the discretion of individual employees. Features of the plan include:

- (a) Employees will be allowed to contribute to the plan in accordance with years of continuous service and wages earned. Employees will be permitted to contribute 1% of their previous year's basic earnings per year of service to a maximum of 5% for those employees with five or more years of service.
- (b) The Company will match employee contributions on a dollar for dollar basis.
- (c) In order to participate in the program an employee must have more than three months of service and must have completed his probationary period as set out in Article 7 of this Agreement. A newly hired employee will not be eligible for matching contributions from the Company if he had no earnings in the previous year.
- (d) Employees will be eligible to join the program only on January 01st of each year. An employee declining to participate in the plan when offered will not be permitted to join again until the next January 01st.
- (e) Employees may direct where their contributed / matched funds are invested in any of the funds made available with the carrier selected by the Company.

21.07 EMPLOYEE SHARE PURCHASE PLAN

Employees who are enrolled in the Employee Share Purchase Plan **as of** the date of ratification of this Agreement will be allowed to continue **their** participation. However, any employee not enrolled as of the **date of** ratification and any employee hired following the date of ratification will not be permitted to join this program. As well, any employee who **is** currently enrolled **in** the program who subsequently withdraws from the program will not be permitted to rejoin at a future date.

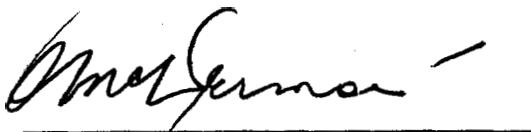
For those employees who are currently enrolled in the program the terms and conditions of the program will not change.

ARTICLE TWENTY-TWO: TERM OF THE AGREEMENT

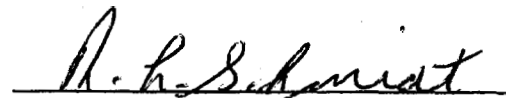
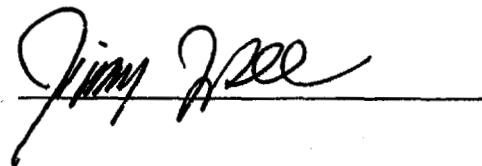
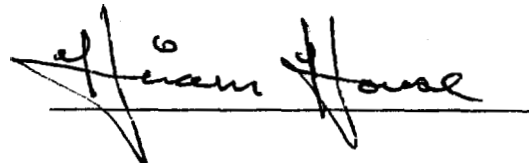
22.01 This Agreement **shall** be in effect as of November 01, 2000 and shall be in effect for a period of four **(4)** years expiring on October 31, 2004.

IN WITNESS WHEREOF the parties hereto have caused this Agreement **to be** executed by their duly authorized representatives this 03rd day of November, 2000.

SIGNED FOR THE COMPANY:



SIGNED FOR THE UNION:



**LETTER OF AGREEMENT #1
ON-CALL PERSONNEL**

The parties agreed during collective bargaining that on-call situations will be treated in the following fashion.

1. The use of on-call personnel will be the decision and responsibility of the Company and will be dependent upon the shift schedule being used and the efficient operation of the enterprise.
2. The on-call period will be from 6:00 PM on Sunday to 6:00 PM of the following Sunday.
3. Any employee who is scheduled to be on-call for the full on-call period set out at Item Two above, will receive four (4) hours pay at his Standard Hourly Wage Rate (Appendix "A") in addition to whatever overtime payment is earned as a result of the call-outs.
4. Any employee who is scheduled to be on-call for a portion of the on-call period set out at Item Two above, will receive two (2) hours pay at his Standard Hourly Wage Rate (Appendix "A") in addition to whatever overtime payment is earned as a result of call-outs.
5. When an on-call employee is called out and physically reports to the workplace, he will be paid at the rate of time and one-half for all hours worked, but in any event the minimum payment in such circumstance will be four (4) hours pay at his Standard Hourly Wage Rate (Appendix "A") .
6. An employee who is on-call who fails to report to work when called upon to do so or reports in an unfit state, will be subject to appropriate disciplinary measures. In addition, such employee will forfeit his on-call pay and reporting pay.


ON BEHALF OF THE COMPANY


ON BEHALF OF THE UNION

**LETTER OF AGREEMENT #2
STORM PROCEDURE**

The parties agreed during collective bargaining that the development of a storm procedure will be treated in the following fashion.

The issue of a storm procedure will be referred to the Joint Safety and Health Committee who will be given the responsibility for the development of **such** a procedure. **The** Committee will be required to have this procedure in **place** no later than February 15, 2001.


ON BEHALF OF THE COMPANY


ON BEHALF OF THE UNION

**LETTER OF AGREEMENT #3
FREIGHT ALLOWANCE**

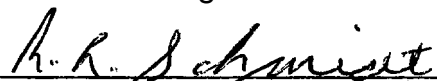
The parties agreed during collective bargaining that freight allowance will be treated in the following fashion.

Each employee will be given an annual freight allowance to bring in personal goods. This allowance is not transferable and deliveries of any freight must be made to the consignee. Except as stipulated below, allowances not used in a given year cannot be carried over into future years and any portion of the allowance not used will be forfeited.

1. Single status employee will be entitled to an annual freight allowance of 200 kg.
2. Family status employees will be entitled to an annual freight allowance of 200 kg. per each family partner and 50 kg. for each dependent child. If a dependent child is absent from the Nanisivik site for a period in excess of nine (9) weeks, the amount of eligible freight will be adjusted accordingly.
3. Temporary employees will be granted a reduced freight allowance consistent with their length of service.
4. The freight allowance takes into consideration the food commodity rates from Ottawa. Should an employee elect to purchase goods from another location, the freight allowance may be adjusted accordingly.
5. It will be the responsibility of the employee to pay for related costs such as the cost to insure goods while in transit.
6. An employee's freight allowance will be renewed annually on the anniversary of his employment. If an employee uses all of his freight allowance prior to the end of the year, he will be allowed to use the Company's negotiated freight rate but will be personally responsible for the shipping costs of any goods shipped on his behalf.
7. In the event that an employee terminates his employment, his freight allowance will be pro-rated to his service for that year. In the event that the employee has exceeded his freight allowance on a pro-rated basis, the Company reserves the right to make the necessary deductions from his final cheque to make up the shortfall.
8. For employees electing to bring in goods on the annual sealift, for each kilogram granted under this freight allowance provision, five kilograms will be permitted during sealift.
9. Inuit employees resident in Arctic Bay will be allowed to carry over their freight allowance from one year to the next to a maximum of 500 kilograms.



ON BEHALF OF THE COMPANY



ON BEHALF OF THE UNION

**LETTER OF AGREEMENT #4
CHANGE TO POINT OF HIRE**

The parties agreed during collective bargaining that changes to an employee's point of hire will be treated in the following fashion.

Employees may make application to change their point of hire under the following conditions.

1. In order to qualify for a change to his point of hire, an employee must have no less than two (2) years of continuous service with Nanisivik.
2. The change of point of hire must be for bona fide reasons that are fully explained to the Company in the written application to change the point of hire.
3. Employees will, be entitled to return flights between Nanisivik and their point of hire only.
4. It will be the employee's responsibility to relocate his personal belongings (including any belongings that may be in storage) from his original point of hire to his new point of hire.
5. Application for a change of point of hire may be made once during the course of an employee's employment at Nanisivik, although subsequent applications will be accepted and reviewed on their merits.


ON BEHALF OF THE COMPANY


ON BEHALF OF THE UNION

**LETTER OF AGREEMENT #5
SHIFT EXCHANGES**

The parties agreed during collective bargaining that shift exchanges will be treated in the following fashion.

Where the shift schedule in place is conducive to shift exchanges, the following rules will apply.

1. Employees acknowledge that the likelihood of being granted permission to proceed with a shift exchange increases when the maximum amount of advance notice of the request is provided to the Department Manager.
2. The shift exchange will be approved if it does not adversely impact the efficient operation of the enterprise and does not result in any additional costs to the Company. Approval for such shift exchange will not be unreasonably withheld by the Department Manager.
3. Shift exchanges will not be permitted if they would result in a health and safety hazard.
4. Shift exchanges will not be permitted where an employee, as a result of an exchange is required to work a double shift or where the employee would have less than twelve (12) hours rest between the conclusion of one shift and the commencement of the next shift.
5. All shift exchanges must be confined to a single pay period. It will be the responsibility of the Company to ensure that time worked on exchanged shifts is properly accounted for and the employees involved paid the proper amounts.


ON BEHALF OF THE COMPANY


ON BEHALF OF THE UNION

**LETTER OF AGREEMENT #6
BABYSITTING SUBSIDY**

The parties agreed during collective bargaining that babysitting subsidies will be treated in the following fashion.

If an employee is scheduled to work forty **(40)** hours per week and overtime work is required on the weekends necessitating a babysitter, such employee will be reimbursed in accordance with the following guidelines.

1. An employee will only be eligible for reimbursement if both working spouses are actually at work and the daycare facility is closed.
2. An employee will not be eligible for reimbursement if the period in question is part of a regularly scheduled shift or if both working partners are scheduled on a standard fifty-four **(54)** hour workweek.
3. Eligible employee may receive a maximum reimbursement of \$30.00 per day. In order to receive this payment an expense report must be filed with the General Manager for his approval and processing.



ON BEHALF OF THE COMPANY



ON BEHALF OF THE UNION

**LETTER OF AGREEMENT #7
ON-THE-JOB INJURIES**

The parties agreed during collective bargaining that on-the-job injuries will be treated in the following fashion.

1. If an employee is injured on the job, the Company will pay him for the balance of the **shift** on which the injury occurred. If the absence extends beyond the shift when the injury occurred, any payment owing to the employee will be arranged through the Workers' Compensation Board.
2. All injuries must be reported immediately to the appropriate supervisor. **If** an injury requires that an employee be absent beyond the shift when the injury occurred all necessary documentation required to establish a claim with the Workers' Compensation Board will be forwarded to them.
3. An employee in receipt of WCB benefits must contact his Department Manager at least every two **(2)** weeks and must share with his Department Manager any new medical information or documentation received.
4. An employee who misses time from work to attend WCB required medical evaluations, hearings, appeals and the like will be paid by the WCB and such payment will not be the responsibility of the Company.
5. **If** an employee is absent from work due to a compensable injury or illness he will not receive vacation pay.
6. When an employee is ready to return to work following a compensable injury or illness he must first undergo a medical evaluation by a physician of the Company's choosing to ensure medical fitness to return to regular work duties. If there are any restrictions in place, the Company must be made aware of these in advance.



ON BEHALF OF THE COMPANY



ON BEHALF OF THE UNION

**LETTER OF AGREEMENT #8
ENTITLEMENT TO MEALS**

The parties agreed during collective bargaining that meals will be made available to employees in accordance with the following guidelines and under the following circumstances.

1. Single status employee will be provided their meals as part of their room and board.
2. Family status employees are responsible for their own meals, but should they choose to take meals at the Dome, they will pay only the employee rate. The non-working spouse of a family status employee and his dependent children will be provided, free-of-charge, lunch Monday through Friday (holidays excluded). Children eighteen (**18**) years of age or older are not considered as dependent and will not be entitled to free meals unless they are employed by Nanisivik.
3. Children of family status employees in school will be provided lunch free-of-charge Monday through Friday (paid holidays excluded). Children under the age of five will be provided meals without charge when accompanied by a paying adult.
4. Employees who take on-site leaves of absence will not be provided with free-of-charge lunches, although lunches may be purchased at the employee rate. **As** well, for family status employees taking on-site leaves of absence their non-working spouse and children will not be entitled to a lunch without charge, unless the children are in school.
5. Newly hired employees (and their families where that is the case) will be allowed **to** take their meals free-of-charge at the Dome until their personal belongings arrive **and** they are properly established in their accommodations.
6. Employees leaving Nanisivik (and their families where that is the case) will be entitled to take their meals at the Dome free-of-charge for the duration of their stay at Nanisivik when their household belongings have been packed for shipment.


ON BEHALF OF THE COMPANY


ON BEHALF OF THE UNION

**LETTER OF AGREEMENT #9
TRADE SCHOOL SUBSIDY**

The parties agreed during collective bargaining that subsidies for those attending trade school will be treated in the following fashion.

For a recognized apprentice attending trade school, the Company will assume the following costs associated with attendance at trade school.

1. If room and board is available, an employee will be reimbursed to a maximum of \$75.00 per week.
2. If room and board is not available, an employee will be reimbursed to the maximum cost of room and board at the local YMCA or other similar local hostel facility.
3. The employee will have the option of either having the Company pay the invoice for room and board directly (if such arrangement is possible) or paying the amount himself and submitting an expense report, along with all necessary receipts, for reimbursement.
4. Where the Company has agreed to pay room and board directly to the landlord, if the amount of the room and board is greater than the maximum allowed (Item One - \$75.00) then arrangements will be made with the employee to reimburse the Company for the difference. In such instances, the repayment will be by payroll deduction over a period of not greater than the amount of time actually spent at trade school.
5. For an employee who resides in private accommodations at Nanisivik, while such employee is attending trade school his Nanisivik rent will not be deducted from his regular pay for the duration that he is attending trade school. As well, during that period of absence to attend trade school any dependent family members remaining on-site will be entitled to their normal benefits including their entitlement to meals.
6. While absent to attend trade school, an employee will be allowed to continue his participation in all employee benefit programs.



ON BEHALF OF THE COMPANY



ON BEHALF OF THE UNION

LETTER OF AGREEMENT #10
SCOPE OF BARGAINING UNIT – LAB ASSISTANTS AND MINE CLERK

During the period prior to the commencement of formal negotiations the **Union** asked the **Company** whether the position of Lab Assistant and Mine Clerk were included in or excluded from **the** bargaining unit. The Company sent a letter to the **Union** in response to this inquiry, dated November 26, 1999. Based on the information contained in that correspondence, the parties now agree that the positions in question (i.e. Lab Assistant and Mine Clerk) are excluded from the bargaining unit.


ON BEHALF OF THE COMPANY


ON BEHALF OF THE UNION

**LETTER OF AGREEMENT #11
LEAD LEVEL TESTING**

The parties agreed during collective bargaining that the proposal put forward by the Union dealing with lead level testing will be treated in the following fashion.

The parties agree to refer the matter of lead level testing methods and techniques to the Joint Safety and Health Committee. It will be the responsibility of the Company, should they choose to address the matter, to explore alternative testing methods and make their findings known to the Union.


ON BEHALF OF THE COMPANY


ON BEHALF OF THE UNION

LETTER OF AGREEMENT #12 "8+4" SHIFT SCHEDULE

The parties agreed during collective bargaining that an 8+4 shift schedule will be introduced and the implementation of this shift schedule will be treated in the following fashion.

1. The parties agree that the implementation of the 8+4 shift schedule is not something that should be rushed or hurried for practical reasons. With that in mind, the Company has agreed that it will implement the new shift schedules as quickly as is practical under the circumstances but in any event the new shift schedules will be in place no later than six (6) months following the date of ratification of this Collective Agreement. The Union and the employees involved will be given as much advance notice as possible of the date (or dates as the case may be) that is selected for the implementation of the new schedule.
2. The existing "13+3" and "9+3" shift schedules will be discontinued and will be replaced by two new shift schedules being the "8+4" and "12+4" shift schedules. Employees will be assigned to one of these new shift schedules consistent with their single / family status.
3. In simple terms, the following guidelines will apply:
 - (a) All employees currently on the 9+3 shift schedule will be moved to the 8+4 shift schedule. Any new employee hired as single status will be scheduled on the 8+4 shift schedule.
 - (b) All single status employees on the 13+3 shift schedule will be moved to the 8+4 shift schedule.
 - (c) All family status employees (including working couples with no dependent children) and employees residing in Arctic Bay will be given the option of working either the 8+4 or 12+4 shift schedule.
4. Employees will no longer have an annual option of moving from one shift schedule to another. The only movement that will be permitted will be in the situation where a family status employee relocates his family out of Nanisivik and elects to continue working as a single status employee. In that situation the employee will be moved automatically to the 8+4 shift schedule.
5. The parties agree that this is a significant change for all employees at Nanisivik and further agree that reasonable steps will be taken to ensure that the disruption to the employees involved, in particular the family status employees, is minimized.

6. The parties agree that four weeks with no income may prove to be a hardship for some employees and for that reason the possibility of banking overtime worked to cover that period is being explored. However, due to administrative difficulties, this cannot be left to the discretion of the employees. Either a system of banking overtime will be devised that applies to all employees or no banking of overtime will be permitted.
7. The parties have agreed that on the day an employee is to fly out of Nanisivik, that employee will be required to work. Where the work schedule or the flight schedule (or some combination of the two) does not permit an employee to work an entire shift, the employee **will** be paid for the entire shift in any event.
8. The parties acknowledge that the introduction of these new shift schedules will be disruptive and will require some modifications to existing individual arrangements for certain employees. That is, some employees will be required to stay beyond their normal departure date and some employees will be scheduled to depart Nanisivik earlier than scheduled. The parties have agreed, however, that all reasonable steps will be taken to minimize the disruption and the financial impact on the employees involved.
9. In an effort to make the introduction of these new shift schedules as attractive as possible to both parties, employees will be required to work additional hours during each rotation. Individual departments will have to **sort** out their own scheduling requirements but in most cases it will be a requirement that employees involved will be called upon to work more than the standard fifty-four **(54)** hour workweek currently in place.
10. The parties understand that the introduction of these new shift schedules, with an increased number of hours each week, will require that variances be granted by the Labour Standards Branch and the Mine Inspection Services Branch. It is agreed that the Company and the Union will cooperate fully in securing the required variances.
11. Travel will only be permitted between Nanisivik and an employee's point of hire. No other destinations may be substituted and no change to travel plans will be permitted. Employees will not be able to bank vacation time or airfares and / or receive cash payments in lieu.
12. The Company agrees to assume travel costs for employees subject to the following limitations, irrespective of which shift schedule the employee is working.
 - (a) For employees who are required to travel through Ottawa to or from their point of hire, an allowance of not more than \$100.00 to be paid on the submission of a properly receipted expense report, for either the inbound or outbound portion of their travel. Eligible items are limited to hotel accommodations and ground transportation. As well, all such employees will be provided with a per

diem allowance of \$35.00 on either the inbound or outbound portion of their travel,

- (b) For employees who are required to travel through and stay overnight in Iqaluit for a destination (i.e. point of hire) in the Territory of Nunavut, such allowance for hotel accommodations and ground transportation will be \$200 (on either the inbound or outbound portion of their travel) and when entitled to this allowance such employee will also be entitled to a per diem of \$35.00.



ON BEHALF OF THE COMPANY



ON BEHALF OF THE UNION

**LETTER OF AGREEMENT #13
SEVERANCE PAY**

The parties **agreed** during collective bargaining that employees entitled to **severance** in accordance with the following guidelines will be treated in this fashion.

1. All full-time employees of Nanisivik Mine will **be** entitled to severance pay provided the following conditions are met.
2. In order to qualify, an employee must continue to work for Nanisivik Mine until the complete and permanent cessation of operations. Employees who are permanently laid off in advance of the complete cessation of activities, but **who** are notified that their permanent lay-off is in anticipation of the closure of the mine and **is** caused by the staged cessation of operations, will be eligible for severance pay.
3. Employees who abandon their employment of their own accord will not be entitled to severance pay in accordance with this Letter of Agreement.
4. Employees who have their employment with Nanisivik Mine terminated for any reason other than the permanent and complete cessation of operations (or in accordance with Article **4.02**) will not be entitled to severance pay in accordance with this Letter of Agreement.
5. Employees who are hired for a specific task and for a specific duration in anticipation of the permanent and complete closure of Nanisivik will not be entitled to severance.
6. Any employee who receives a severance payment in accordance with this Letter of Agreement will forfeit any right of recall set out at Article 8.02(e) of this Agreement.
7. Employees who satisfy all of these requirements will receive severance pay consistent with their normal hours of work and length of continuous service. For example, an employee who customarily works sixty-six (66) hours per week would **be** entitled to an amount equal to the number of years of continuous service times sixty-six (66) hours at the appropriate Standard Hourly Wage Rate (Appendix "A"). Partial years of service will be prorated.



ON BEHALF OF THE COMPANY



ON BEHALF OF THE UNION

**LETTER OF AGREEMENT #14
JOB CLASSIFICATIONS**

The parties agreed during collective bargaining that the current schedule of job classifications and occupations **is** cumbersome and could be streamlined and made more efficient. The parties also recognized that this is an area of common concern that should be dealt with as dispassionately and expeditiously as possible. With that *in* mind, the parties have agreed the following review process.

1. The Company will undertake a thorough review of the current schedule **of job** classifications and occupations within six (6) months of the ratification **of** this Collective Agreement. When undertaking this review particular emphasis will be placed on the Mine Department.
2. The review will take into consideration the views *of* the Local Union executive **as** well as the employees involved.
3. When the review is complete the resultant report will be made available to the Local Union executive for their review. The Local Union will have ten days to review the document, although it is agreed that a longer period of time (within reason) can be arranged to undertake a thorough review and consult with the membership.
4. Once the Local Union has reviewed the report they can accept it in its entirety or they can reject it in its entirety. The report will not be the subject of further negotiations and no changes will be made once the final report has been released.
5. The report cannot **be** the subject of a grievance as set out at Article Nine **of** this Agreement nor can the matter be advanced to arbitration **as** set out at Article Ten of this Agreement.

By agreeing to undertake this study and including the Local Union and its members in the process, including the review stage, the Company is not detracting from any Management Right that has been granted in accordance with Article Four of this Agreement.


ON BEHALF OF THE COMPANY


ON BEHALF OF THE UNION

**LETTER OF AGREEMENT #15
PAY-DIRECT DRUG CARDS**

The parties agreed during collective bargaining that the issue of pay-direct drug cards will be treated in the following fashion.

1. Pay-direct drug cards will only be issued to employees and spouses (where applicable).
2. The parties recognize that there will be a considerable delay in securing the necessary drug cards and for the interim period the current practice of submitting claims for drugs will be followed. That is, in order to qualify for reimbursement the employee involved must submit a claim to the Administration Department who will ensure that the employee is eligible for reimbursement and will then forward the claim on to the carrier.
3. The Company commits that it will keep the Local Union executive current with respect to its efforts to secure and activate the pay-direct drug cards.
4. The parties agree that the introduction of the drug card may pose some unique challenges given the current level of turnover and the geographic diversity of the employees involved. In order to overcome any difficulties, the parties agree that they will work together to ensure the success of the program. Should difficulties arise the parties will meet to discuss alternatives, which may include the termination of the program.



ON BEHALF OF THE COMPANY



ON BEHALF OF THE UNION

**LETTER OF AGREEMENT #16
TEMPORARY EMPLOYEES**

The parties agree that from time to time temporary employees will be hired to fulfill a certain duty (or duties) or be hired for a specific duration. In the event such temporary employees are hired, the following rules of administration will apply.

1. At the time of hire the employee(s) involved will be made aware that they are being hired on a temporary basis either to fulfill a certain function or for a specific period of time. Such employees will be clearly identified as being "temporary" and their status will be made known to the Local Union.
2. Such employees will undergo the indoctrination program for all new employees and will be subject to the probationary period set out at Article Seven of this Agreement.
3. Temporary employees will not be added to the seniority list when their probationary period has been completed and will not acquire any seniority rights. For instance, they will not be permitted to bid on any job postings.
4. If, during the period of his employment a temporary employee is transferred to another position (other than the one for which he was hired and in all cases in accordance with the seniority provisions set out at Article 8 of this Agreement) he will no longer be considered a temporary employee and will commence to be treated as a regular, permanent employee. For instance, if an employee is hired on a temporary basis to operate heavy equipment in the construction of the tailings dam, and the employee is subsequently assigned to a position working underground, then the employee would no longer be considered as temporary.
5. Temporary employees will not be entitled to vacation entitlement as set out at Appendix "C" of this Agreement. Rather, temporary employees will be paid vacation pay at the rate of 4.0% of earnings at the conclusion of each rotation.
6. Temporary employees will no longer be deemed as temporary employees but will be treated as regular, permanent employees if their period of employment exceeds six (6) consecutive months, exclusive of any vacation periods.
7. Temporary employees will not be entitled to any severance as set out at Letter of Understanding 13 of this Agreement.
8. Temporary employees are not entitled to bonus payments as set out at Letter of Understanding 18 of this Agreement.
9. Except as specified above, temporary employees will be entitled to normal employee benefits with the exception of access to the group RRSP program and the Employee Share Purchase Plan.



ON BEHALF OF THE COMPANY



ON BEHALF OF THE UNION

**LETTER OF AGREEMENT #17
INUIT TRAVEL**

Inuit employees and their spouses resident in Arctic Bay or Nanisivik will be eligible for an annual return trip from Nanisivik to Ottawa provided that they meet the following conditions.

- (a) They have no less than two (2) years of continuous service.
- (b) They have been in attendance for no less than 90% of their scheduled shifts in the preceding year.

If an Inuit employee is entitled to this travel award but does not wish to take advantage of the *flight(s)*, such employee may make application for a cash pay out. **In such** cases, the employee will be paid 75% of the cost that the Company would have incurred if the employee had elected to take the flights.



ON BEHALF OF THE COMPANY



ON BEHALF OF THE UNION

**LETTER OF AGREEMENT #18
EMPLOYEE BONUSES**

The Company agrees to provide bonuses to the employees in the following manner.

- (a) Effective immediately upon ratification any permanent employee with more than one (1) year of continuous service is entitled to a bonus of \$750. Any permanent employee as of that date with less than one (1) year of continuous service will receive a bonus of \$250.

- (b) Effective the commencement of the third year of this collective agreement any permanent employee with more than one (1) year of continuous service (at that date) is entitled to a bonus of \$750. Any permanent employee as of that date with less than one (1) year of continuous service will receive a bonus of \$250.



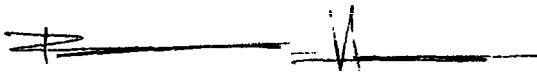
ON BEHALF OF THE COMPANY



ON BEHALF OF THE UNION

**LETTER OF AGREEMENT #19
COORDINATION OF VACATION – WORKING COUPLES**

The parties agree that the efficient operation of the enterprise is of paramount concern and that vacation scheduling should not be allowed to interfere with the operation at Nanisivik. However, the Company does agree to make its best efforts to ensure that working couples are provided with common vacation time. While there can be no guarantees that this will be possible or practical under the individual circumstances, these situation will be reviewed on an individual basis as they arise. It is understood, though, that the Company is not obliged to incur additional costs or hire additional employees in order to accommodate requests for common vacation time.



ON BEHALF OF THE COMPANY



ON BEHALF OF THE UNION

APPENDIX "A"
STANDARD HOURLY WAGE RATES

JOB CLASS	YEAR ONE (\$ / HR.)	YEAR TWO (\$ / HR.)	YEAR THREE (\$ / HR.)	YEAR FOUR (\$ / HR.)
I	14.82	15.19	15.57	16.19
2	15.37	15.76	16.15	16.80
3	15.91	16.31	16.72	17.39
4	16.41	16.82	17.24	17.93
5	16.93	17.35	17.79	18.50
6	17.45	17.89	18.33	19.07
7	18.02	18.47	18.94	19.69
8	18.61	19.07	19.55	20.33
9	19.20	19.68	20.17	20.98
10	19.81	20.31	20.81	21.65
11	20.46	20.97	21.49	22.35
12	21.12	21.65	22.19	23.08
13	21.81	22.35	22.91	23.83
14	22.54	23.10	23.68	24.62
15	23.29	23.87	24.46	25.44
16	24.03	24.64	25.25	26.26
17	24.82	25.45	26.08	27.12
18	25.25	25.88	26.53	27.59

APPENDIX "B"
SCHEDULE OF ROOM AND BOARD/ RENT CHARGES

1. The following rates are to be charged to employees per pay period, based on the nature of their accommodations.
2. Employees who reside in private accommodations (one, ~~two~~, three and four bedroom units) will continue to pay rent **as** they have in the past.
3. Employees who reside in the **Pamo** suites are paying a premium above the basic room and board being charged for other employees in other shared accommodations (i.e. the bunkhouse). That premium has been calculated to be **\$33.57** per pay period and will continue to be in place.
4. Based on these understandings, the following will apply effective upon the date of ratification of this Agreement.
5. These revised rates will be effective the first pay period following the ratification of **this** Collective Agreement.

TYPE OF UNIT	CURRENT RATE	YEAR ONE	YEAR TWO	YEAR THREE	YEAR FOUR
Bunkhouse	99.76	74.82	49.88	24.94	0.00
Pamo Suite	133.33	108.39	83.45	58.51	33.57
One Bedroom Private	57.50	57.50	57.50	57.50	57.50
Two Bedroom Private	111.30	111.30	111.30	111.30	111.30
Three Bedroom Private	129.04	129.04	129.04	129.04	129.04
Four Bedroom Private	129.04	129.04	129.04	129.04	129.04

APPENDIX "C"
VACATION PAY ENTITLEMENTS

Following the implementation of the 8+4 and 12+4 shift schedules, employees will be entitled to vacation pay in accordance with the following schedule. Employees who are scheduled to work a **shift** schedule of less than fifty-four (**54**) hours per week, will have their vacation pay entitlement prorated.

If an employee works less than the full complement of hours or days per rotation, the entitlement to vacation pay will be adjusted accordingly unless the absence is due to paid bereavement leave, jury duty, court duty or a leave due to on-site illness of three (**3**) days duration or less.

Vacation pay will be paid in accordance with the following schedule. Hours paid will be at the Standard Hourly Wage Rate as set out in Appendix "A" of this Agreement.

CONTINUOUS YRS. OF SERVICE	SHIFT SCHEDULE	HOURS TO BE PAID @ STANDARD HRLY. RATE
Less than three years	8+4	75.0
Three or more years	8+4	97.5
Less than three years	12+4	108.5
Three or more years	12+4	137.5