

**COLLECTIVE AGREEMENT**  
**between**  
**CARDINAL RIVER OPERATIONS**  
**and the**  
**UNITED MINE WORKERS OF AMERICA**  
**LOCAL 1656**

**Effective: July 1, 2012 – June 30, 2017**

**COLLECTIVE AGREEMENT**

The agreement made this **insert signing date.**

**between**

**CARDINAL RIVER OPERATIONS**

**(hereinafter referred to as the Company or Employer)**

**and**

**THE UNITED MINE WORKERS OF AMERICA**

**LOCAL 1656**

**(hereinafter referred to as the Union)**

## **MISSION STATEMENT: UNITED MINE WORKERS OF AMERICA, LOCAL 1656**

The Executive Local 1656 has a mission.

The mission is to ensure that our brothers and sisters enjoy the following:

A strong standard of living

Safe working conditions

Proper benefits and education

High quality of work life

Secure retirement

A strong and viable local union

and to support the continued success and productivity of Cardinal River Operations for the benefit of you, the employee, and you the U.M.W.A. member.

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## **ARTICLE 1 PURPOSE OF AGREEMENT**

It is the intent of the parties and the purpose of this Agreement to preserve and continue the harmonious relations existing between the parties; to ensure peaceful adjustment and settlement of grievances, claims, disputes, and differences which may arise between the Employer and its employees represented by the Union; to prevent stoppage and interruptions of work, strikes, and lockouts; and to establish wages, hours, and working conditions which shall prevail during the term hereof for the employees covered by this Agreement.

## **ARTICLE 2 SCOPE OF AGREEMENT**

### **2.01 Those Covered**

This Agreement covers all employees of the Employer hired for its mining operations at Cardinal River Operations excluding those employees designated in Article 2.02.

### **2.02 Those Excluded**

The following classifications are excluded from this bargaining unit:

- (a) Office staff, supervisors, safety and security personnel, surveyors, janitors, lab technicians, environmentalists, and
- (b) Those exercising managerial functions and those employed in a confidential capacity in matters relating to labour relations.
- (c) Except where it is necessary to instruct company employees, test equipment and facilities, and in the case of emergency, supervisors and managerial personnel will not perform work or operate equipment normally performed by employees covered by this Collective Agreement.

### **2.03 Contractors**

- (a) The following aspects of this Collective Agreement shall govern the conditions of employment which a contractor, subcontractor, assignee, or transferee provides for his or her employees for work performed for Cardinal River Operations at the mine site.
  - 1. Wage rates in Exhibit "A" (as a minimum). This requirement will be incorporated into the Special Conditions of all Requests for Proposals and Contract Award documents.
  - 2. Safety regulations
  - 3. Cessation of work (Article 6)
  - 4. Adjustment of grievances (Article 5 or equivalent procedures)
  - 5. Scope of Agreement as per Article 2.02

- (b) Contractors, subcontractors, assignees, or transferees engaged by Cardinal River Operations to perform specialized work not normally performed by the employees of Cardinal River Operations shall be exempt from Article 2.03(a)(1).
- (c) The Company shall pay a lump sum to the Union in the amount of eleven thousand, nine hundred and forty dollars per month (\$11, 940.00/month) unless a definite or indefinite shutdown is in effect, excluding shutdowns for maintenance and/or vacation purposes. This rate shall increase at the same time and percentage as Union dues.

#### **2.04 Monthly Review**

Every month the Company will review with the Union the number of contractors at the mine site, and the nature of the work being performed.

#### **2.05 Warranty Work**

Except for safety regulations as outlined in Article 14.03, contracting of work where the work is being performed by a manufacturer or supplier under warranty shall be exempt from the provisions of this Article.

#### **2.06 Utilization of Contractors**

The Company further agrees that prior to any contracting out which will result in loss of employment to its employees, such contracting out will be discussed with the Union before it is implemented and, if following the discussion no Agreement is reached, the Company agrees it will not contract out work at the operations which work is normally performed by the employee if, as a direct result, an employee will be laid off or demoted.

### **ARTICLE 3 MANAGEMENT OF MINE**

The management of the operation is vested in the Employer except that this right shall not supersede any provisions of this Agreement.

### **ARTICLE 4 UNION SECURITY AND CHECK-OFF**

#### **4.01 Exclusive Bargaining Agent**

The Employer recognizes the Union as the exclusive bargaining agent for all employees as defined in Article 2.01.

#### **4.02 Union Membership**

- (a) All employees covered by this Agreement shall become members of the Union and shall remain members of the Union as a condition of employment.

#### **4.03 Summer Students**

(a) Students hired as summer vacation relief will not be allowed to exercise rights or receive benefits provided under the following sections of this Collective Agreement:

1. Article 7: Pension Benefits
2. Article 13.08: Overtime

Students hired as summer vacation relief will not be eligible to work overtime until all eligible regular employees have been offered the opportunity to work such overtime as may be required.

3. Article 18 and 19: Job Postings and Training

(b) Children of employees hired as summer vacation relief and eligible for benefits coverage under their parent's benefits plan will not be eligible for Sickness and Death Benefits except for:

1. Life Insurance
2. Short Term Disability

Eligibility for these benefits will cease on August 31 of the year in which he or she is hired.

(c) Students who are not eligible for Sickness and Death benefits under his or her parent's benefits plan will be eligible for all Sickness and Death benefits under this Collective Agreement, but such coverage will cease on August 31 of the year in which he or she is hired.

(d) Under no circumstances will summer students be eligible for long term disability.

#### **4.04 Union Dues**

The Employer will honor written assignments of wages of Union dues, assessments, and fines and shall remit such dues, assessments, and fines to the Union monthly, together with information such as social insurance number, mailing address and date of hire as to the persons from whose pay such deductions have been made. Such deductions shall be made from the first pay period of each month and shall be remitted to the Union by the end of the same month with the information outlined herein.

#### **4.05 Employer Indemnity**

The Union shall indemnify the Employer and hold it harmless against any and all suits, claims, demands, and liabilities that shall arise out of or by reason of any action taken by the Employer for the purpose of complying with any provision of Article 4.

**4.06 Union Dues Deduction Forms**

The Employer will arrange for new employees to sign deduction assignments forms upon employment with the Company and will forward the executed documents to the Union.

**4.07 Leave of Absence**

- (a) The Employer will grant leave of absence without pay to employees who are:
  - 1. Appointed or elected to Union office; except that not more than four (4) employees at any one (1) time will be granted such leave;
  - 2. Appointed or elected as representatives to attend Union meetings, conventions, or union business; except that not more than fifteen (15) employees at any one (1) time will be granted such leave and not more than two (2) employees from the same job classification.
- (b) If operating conditions permit, leave of absence will be granted to each employee who is elected or appointed to Town Council, School, and Hospital Boards.

**4.08 Union Business Leave**

Employees who are elected or appointed to full time Union office shall be granted a leave of absence without pay on request as provided in Article 4.07(a) above. Employees on such leave shall continue to accrue seniority and service with the Employer. The Company shall maintain such employees on the Pension Benefit Program as defined in Article 7. Employees returning from Union leave will return to the same shift and same position he or she held prior to going on leave.

**4.09 Union Appointment and Returning to Work**

Employees granted a leave of absence under Article 4.08 must return to work within two (2) months after the expiration of such Union appointment.

**4.10 New Employees**

The Employer shall give each new employee one (1) copy of the Collective Agreement. The Employer, on a monthly basis, will provide the Local Union Office with a list of newly hired and terminated employees, indicating name and job classification.

The new hire will be introduced to his or her shop steward during the training period.

**ARTICLE 5 ADJUSTMENT OF GRIEVANCES**

**5.01 Purpose**

It is the intent and purpose of this Article which shall be available both to the Union and the Employer, to provide for the presentation and equitable adjustment of grievances. Should any differences arise between the Employer and the Union as to the meaning or application of the provisions of this

Agreement or as to any questions relating to the wages, hours of work, or other conditions of employment of any employee covered by this Agreement the same shall be disposed of in accordance with the provisions of this Article.

#### **5.02 Grievance Committee**

The grievance committee shall consist of not more than twenty (20) employees, duly elected, from the mine, plant, and/or maintenance departments. In addition, the local union officers can act as committee people. The Union must advise the Employer, in writing, which employees are selected for the grievance committee.

#### **5.03 Union Steward Duties**

The duties of the union steward shall be confined to the purpose as set forth in Article 5.01 above, and he or she shall be allowed to process the grievance(s) during shift after first making proper arrangements with the supervisor involved as to time and place.

#### **5.04 Step 1**

- (a) Within six (6) working days of the alleged grievance(s), the employee, who may be accompanied by his or her union steward if he or she so desires, shall present the grievance(s) either verbally or in writing to his or her supervisor. Failing settlement to the employee's satisfaction within one (1) day, the employee may proceed to Step 2.
- (b) In discharge cases, Steps 1 and 2 will be by-passed and Step 3 will take precedence.
- (c) The term "working days" as used herein, shall mean the griever's regular scheduled work days.

#### **5.05 Step 2**

Within five (5) working days from the time settlement could have been made in the previous step, the grievance(s) shall be reduced to writing, dated, and signed by the employee and either the union steward or union office and submitted to the Employer.

Such grievance(s) shall then be discussed in an attempt of settlement at a mutually convenient time within three (3) working days after submission. Such meeting shall include the employee, one (1) or two (2) union representatives, the superintendent, and employee relations representative, and any required witnesses. The department superintendent shall reply in writing within three (3) working days stating the matter, date, and decision(s) reached. Failing a satisfactory settlement or reply at this stage, the employee may proceed to Step 3.

#### **5.06 Step 3**

Within five (5) working days from the time settlement could have been made within the time limits of Step 2, the employee or the Union shall submit a notice of appeal stating the subject matter of the grievance(s) and all objectives pertaining to the previous disposition. At this time a meeting shall be arranged within ten (10) working days to hear the appeal and determine a just disposition. The meeting

shall consist of the employee, representatives of the Union, [a maximum of three (3) to be spokesperson], the department superintendent or his or her designee and, the mine manager or his or her designee and, one (1) other employer representative. Either party may produce any persons familiar with the facts involved in aid in a just solution.

Typewritten minutes should be kept on Step 3 meeting by the Employer, and should conform essentially to the following outlines:

- (a) Date and place of meeting
- (b) Names and positions of those present
- (c) Description of the grievance(s)
- (d) Brief statement of Union's position
- (e) Brief statement of Employer's position
- (f) Abstract of important aspects of the discussion
- (g) Decision reached by Employer

The Employer shall submit the decision to the Union within ten (10) working days. Failing a satisfactory settlement or reply at this stage, an appeal shall be served within fourteen (14) working days.

#### **5.07 Step 4**

- (a) An Arbitrator shall be appointed by mutual agreement of the parties hereto and whose decision shall be final. In the event mutual agreement cannot be reached in choosing an Arbitrator, it is agreed that either party may, upon five (5) days written notice to the other party, request the Minister of Labour of the Province of Alberta to appoint such an Arbitrator. The Arbitrator shall only have jurisdiction and authority to interpret, apply, or determine compliance with the provisions of this Agreement, and such local working conditions as may hereafter be in effect and as agreed to by the parties of this Agreement, insofar as shall be necessary to the determination of grievance(s) appealed to the Arbitrator. The Arbitrator shall not have jurisdiction or authority to add to, detract from, or alter the provisions of this Agreement. The expenses and salary extent of the services of the Arbitrator shall be shared equally by the Employer and the Union.
- (b) The Arbitrator shall award his or her decision within ninety (90) days of hearing the case.

#### **5.08 Company/Union Grievance**

Where any difference occurs between the Employer and the Union as to the meaning, application, or interpretation of any part of this Collective Agreement, either party shall give notice in writing as to the difference grieved. The Employer and the Union shall meet within ten (10) working days to consider such a grievance. In the event of failure to agree, either party may revert to Step 4 of this Article.

## **ARTICLE 6 CESSATION OF WORK**

There shall be no strikes or lockouts by either party, either collectively or individually, during the life of this Agreement.

## **ARTICLE 7 PENSION BENEFIT PROGRAM**

### **7.01 Basic Plan**

The Plan is a Money Purchase Plan, hereafter referred to as the "Pension Plan," consisting of both a registered defined contribution plan and a group RRSP, both of which will be established and sponsored by the Company.

### **7.02 Eligibility Criteria**

Permanent employees automatically become a member of the Pension Plan on the first date coincident with or following date of permanent hire.

### **7.03 Employer Account and Employee Account**

#### **(a) Employer Account**

The Company will contribute the equivalent of seven percent (7%) of basic earnings to the Employer Account each pay period on behalf of each employee. Basic earnings mean the standard hourly rate of pay for all regularly scheduled hours worked, including vacation hours taken [e.g. twelve (12) hours at straight time on a twelve (12) hour shift schedule]. Contributions will be deposited to the registered defined contribution plan. Contributions shall not be less than five thousand dollars per year (\$5,000/year) based on a full year worked.

#### **(b) Employee Account**

Employees will contribute each pay period the equivalent of half a percent (0.5%) of basic earnings to the Employee Account. Employees may choose to contribute above the half a percent (0.5%) basic earnings. Employee contributions will be deposited into a group RRSP sponsored by the Company.

### **7.04 Pension Plan Administration**

Both the employee contributions and the contributions the Company makes on the employees' behalf will be invested in a pension fund managed by a financial institution. Employee mandatory contributions of half a percent (0.5%) of basic earnings will remain in the group RRSP while he or she is employed by the Company. Employee voluntary contributions may be withdrawn once per calendar year.



#### **7.05 Statements**

Employees will receive individual annual statements showing the amounts of both the Employer and Employee accounts.

#### **7.06 Employees on Disability Leave**

Employees receiving WCB, short term disability or long term disability benefits will receive Company contributions based on deemed earnings using the standard hourly rate at the commencement of the disability leave. Contributions to employees on long term disability will be to a maximum period of time equal to the employee's seniority at the time he or she commenced disability leave. In no case will pensionable service continue to accrue after an employee's normal retirement date or while he or she is gainfully employed by an Employer other than Cardinal River Operations.

#### **7.07 Temporary Mine Shutdown**

In the event of a temporary mine shutdown, employer contributions will continue for a further thirty (30) day period based on deemed earnings using the standard hourly rate at the commencement of the temporary shutdown.

#### **7.08 Death Benefit**

Should an employee die while a member of the Pension Plan, all amounts credited to him or her will be paid to his or her beneficiary as specified by the Alberta Employment Pension Plans Act. This will include a contribution for the balance of the calendar year in which death occurs providing that the employee has worked in the year the death occurs and to the extent permissible under the Income Tax Act. The contribution will be based on deemed earnings using the standard hourly rate at the time of death.

#### **7.09 Termination**

Upon termination of employment, the value of the employee's Pension Plan will be transferred to any registered vehicle permissible under the Alberta Employment Pension Plans Act.

#### **7.10 Provincial and Federal Regulations**

The Pension Plan terms and conditions will be registered in accordance with the Alberta Employment Pension Plans Act and the Income Tax Act of Canada.

### **7.11 Voluntary Contributions**

In addition to the voluntary contributions allowable in Article 7.03 (b), employees may direct the Company to make additional deductions to the Group RRSP at the Servus Credit Union, or another financial institution agreed to between the Union and the Company.

## **ARTICLE 8 SENIORITY**

### **8.01 Definition**

Seniority shall be the length of continuous service with the Employer, with the exception of the probationary period as defined in Article 8.02.

### **8.02 Probationary Period**

- (a) The parties agree that it shall constitute just and reasonable cause for dismissal of a probationary employee if the Company in its sole discretion concludes that the employee is unsuitable for employment.
- (b) All permanent employees hired shall be on probation for a period of four hundred and eighty (480) hours actually worked.
- (c) No employee shall acquire seniority until he or she has been in the service of the Company as provided for in the probationary period, when his or her seniority shall be retroactive to the date of his or her hiring.

### **8.03 Broken Continuous Service**

Continuous service of an employee shall be broken by:

- (a) A resignation or "quit".
- (b) Discharge for just cause.
- (c) Retirement.
- (d) A layoff for a period in excess of six (6) months if the employee does not notify the Employer of his or her status at least once every six (6) months.
- (e) Failure to report to work within fifteen (15) days from the date of a written notice to return to work after a layoff. Written notice will be in the form of a registered letter with return receipt sent to the last address given by the employee to the Employer. It is the employee's responsibility to keep the Employer advised of his or her current address.
- (f) Absence, except for good cause, extending beyond an authorized vacation period or beyond a leave of absence granted by the Employer.

- (g) Absence due to non-compensable disability if the employee does not notify the Employer of his or her status at least once every six (6) months.

#### **8.04 Layoff**

- (a) When the mine is temporarily idle, the most senior employees shall have preference of the work available in his or her classification and shift.
- (b) In the event of a layoff and/or recall and/or demotion which extends beyond seven (7) work days, for eight (8) hour shift employees or four (4) work days for twelve (12) hour shift employees then at that time:
  1. Seniority shall be the determining factor in Job Groups 1 to 7.5.
  2. Seniority shall be the determining factor for Job Groups 8 to 10 providing the individual has previous paid Company experience in the classification.
- (c) Under this Article, employees will not be permitted to accept a trade(s) classification unless they hold the necessary qualifications.

#### **8.05 Permanent or Partial Disability Bidding Preference**

Employees having permanent or temporary partial disability shall be given preference over other employees in the class or work he or she can reasonably perform, and shall be paid not less than his or her original rate for a period not exceeding three (3) months. To exercise rights under this paragraph a vacancy must exist on a job prior to the disabled employees having preference of assignment.

Employees holding a bid under this article must provide medical proof of disability on an annual basis. If the employee is no longer disabled, the position will be re-posted, and he or she will be required to bid out to a position/vacancy that his or her seniority and qualifications entitles him or her to hold. In this circumstance, Article 18.03 will not apply.

#### **8.06 Seniority Rights during Technological Change Layoff**

If the Employer introduces any change in equipment or material or any change in its work, undertaking, or business which directly results in the layoff or termination of employees, those employees subject to layoff or termination as a result of such introduction of equipment or material may exercise the seniority rights available to them under this Article.

#### **8.07 Severance Pay Due to Technological Change Layoff**

In the event that after the application of the seniority provisions, employees who choose termination as a direct result of the introduction of such equipment or material or any change in its work, will receive severance pay equivalent to one hundred (100) hours at the rate of the last classification which each employee could have held after the application of seniority rights by employees affected.

## **8.08 Implementing Technology Change**

It is understood and agreed that the terms of Article 8.06 and following in this Article 8 relate to changes under the sole and exclusive control of the Employer, and not related to market conditions.

## **8.09 Method of Application**

The following is the method of application of the provisions outlined in Article 8.06 and Article 8.07:

### **(a) Severance Pay**

Those employees directly displaced as a result of technological change as defined in Article 8.06 will have the option of:

1. Taking a layoff without severance pay, or
2. Terminating his or her employment with the Company and taking the severance pay, or
3. Exercising seniority rights by bumping less senior employees providing the individual has previous paid Company experience in the classification he or she is bumping in to.

### **(b) The employees referred to above will have his or her rates red circled until:**

1. The Collective Agreement rates for the new job performed are equal to or greater than the employee's red circled rates, or
2. Such employee posts into another job, in which case the employee will receive the standard rate for the new job.

### **(c) Employees indirectly affected as a result of those employees in Article 8.09(a), bumping will not be eligible for severance pay or have his or her rates red circled, except that those employees who, after the application of all the seniority provisions of this Agreement, would otherwise be laid off (i.e. no alternate job in the Company which his or her can perform or have seniority to bump in to or otherwise is available to the employee) then such employee will have the option of:**

1. Electing severance pay, or
2. Electing layoff without severance

## **ARTICLE 9 REPORTING PAY AND MINIMUM DAILY PAY**

### **9.01 Reporting to Work with No Work Available**

An employee who reports to work as scheduled without having been notified not to report and for who no work is available will be allowed four (4) hours pay for eight (8) hour shift employees or six (6) hours pay for twelve (12) hour shift employees at the rate of the job for which he or she was scheduled to report.

**9.02 Hours of Pay**

When an employee has reported to work and has reached his or her designated working place he or she shall be provided eight (8) hours work or be paid the full eight (8) hours in lieu thereof for eight (8) hour shift employees, or for twelve (12) hour shift employees be provided twelve (12) hours work or be paid the full twelve (12) hours in lieu thereof.

**9.03 Reporting to Work on the Bus with No Work Available**

When an employee has been accepted on his or her scheduled bus, he or she will not be turned back as a means of denying the content of this Article.

**9.04 Reporting to Work Without Bus Transportation with No Work Available**

It is understood that where an employee reports to his or her marshalling point to which no bus transportation is provided for him or her, if the Company can prove that by a telephone call an employee was informed of non-availability of work, then the provisions of Article 9.01 shall not apply.

**9.05 Call-out**

Anyone called out for start-up or other work, shall be provided a minimum of four (4) hours work for eight (8) hour shift employees or six (6) hours work for twelve (12) hour shift employees, or receive pay in lieu of, as per Article 13.

**9.06 When Provisions Apply**

The provisions of this Article will apply in the event of an accidental fatality at the mine but will not apply in the event of strikes or work stoppages in connection with labour disputes.

**ARTICLE 10 HOLIDAYS**

**10.01 Statutory Holidays Observed**

The following days will be observed:

- |                              |   |                  |
|------------------------------|---|------------------|
| New Year's Day               | Victoria Day                              | Thanksgiving Day |
| Family Day                   | Canada Day                                | Remembrance Day  |
| Good Friday                  | First (1 <sup>st</sup> ) Monday in August | Christmas Day    |
| May First (1 <sup>st</sup> ) | Labour Day                                | Boxing Day       |

In the event that the Provincial or Federal Government proclaims an additional paid general holiday to be added to the Annual and General Holidays Act, such holiday will be added to this Article provided such holiday is not listed in Article 10.01 and further provided that such a proclaimed paid holiday is not a substitute or a replacement for any present legislated holiday. It is agreed that there shall not be more than a total of thirteen (13) general holidays observed in a calendar year.

#### **10.02 Statutory Holiday Dates**

- (a) Holidays shall be effective on the day of the week on which they fall; however, should the Provincial or Federal Government proclaim a day in lieu of any of the holidays listed in Article 10.01 the day proclaimed shall become the holiday for the purpose of interpreting this Article unless otherwise mutually agreed.
- (b) When work is required on a general holiday except Christmas Day and Boxing Day, and the staffing needs are not achieved voluntarily, including the offering of overtime to employees not scheduled to work, the Company may assign the most junior qualified employee(s) from the crew normally scheduled to work.
- (c) The Christmas Day and Boxing Day holidays will be observed on December 24<sup>th</sup> at 7:00pm and end on December 26<sup>th</sup> at 7:00pm.
- (d) Work related to the safety, security and preservation of assets will be required on Christmas Day and Boxing Day. If the staffing needs are not achieved voluntarily, including the offering of overtime to employees not scheduled to work, the Company may only assign the most junior qualified employee(s) from the crew normally scheduled to work. Any production work on Christmas Day and Boxing Day will be strictly voluntary.
- (e) Should there be no requirement to work on a general holiday; the observation of the general holiday may be moved to the beginning or end of a work cycle by mutual agreement.

#### **10.03 Holidays Not Worked**

An employee shall be entitled to a holiday allowance for any of the above named holidays not worked, provided he or she meets all of the following eligibility requirements:

- (a) He or she shall have worked all of his or her last scheduled shift prior to, and all of his or her next scheduled shift following such holiday, unless an absence from one or both of such shifts is because of sickness of the employee (proof required), or because of other good cause.

#### **10.04 Pay Calculations**

- (a) For the purpose of calculating overtime and vacations, an employee who qualifies for payment for a general holiday will be deemed to have worked eight (8) hours if on an eight (8) hour shift schedule or twelve (12) hours if on a twelve (12) hour shift schedule on the general holiday.
- (b) A holiday allowance for a holiday not worked shall be computed by multiplying by eight (8) [for eight (8) hour shift schedule employees] or by twelve (12) [for twelve (12) hour shift schedule

employees] by the minimum hourly wage rate as in Exhibit "A" of the employee's regular classification.

#### **10.05 Statutory Holiday during a Vacation**

If any holiday designated in Article 10.01 occurs during an employee's scheduled vacation period, the employee shall receive pay for such holiday as per Article 10.04 on the first pay period after his or her vacation and the employee shall receive an extra day off at the employee's discretion as indicated on the vacation application.

#### **10.06 Pay for Statutory Holiday Worked**

An employee who works on any of the named holidays shall receive his or her normal holiday allowance plus one and one-half times (1½x) his or her regular standard hourly wage rate for the number of hours worked.

### **ARTICLE 11 VACATIONS**

#### **11.01 Eligibility**

- (a) An employee, who has worked one thousand (1000) hours in the preceding vacation year, and has one (1) or more years of service, is eligible for a vacation in any vacation year during the term of this Agreement.

Overtime, WCB, sickness, and paid general holidays will be counted as hours worked.

- (b) An employee who has been unable to take his or her vacation due to a work incurred injury, off the job accident, or sickness, may, upon submitting a written request, receive his or her earned vacation pay at any time during the twelve (12) month period subsequent to his or her anniversary date, but not later than December 31<sup>st</sup> following his or her anniversary date.
- (c) Employees must take their full vacation entitlement within the twelve (12) month period subsequent to his or her anniversary date; however, an option to request vacation pay in lieu of vacation time off for a third (3<sup>rd</sup>), fourth (4<sup>th</sup>) or fifth (5<sup>th</sup>) week of vacation entitlement is available on completion of at least two (2) weeks' vacation.

### 11.02 Service and Vacation Allotment

- (a) Employees who have completed the required years of continuous service with the Employer as of his or her anniversary date will be entitled to the following vacation:

Years of Service	Vacation Weeks	Vacation Pay
Less than ten (10) years	Three (3)	Eighteen (18) days pay for eight (8) hour shifts or twelve (12) days pay for twelve (12) hour shifts  OR six percent (6%) times the gross earnings earned during the previous vacation year, whichever is greater.
More than ten (10) years	Four (4)	Twenty four (24) days pay for eight (8) hour shifts or sixteen (16) days pay for twelve (12) hour shifts  OR eight percent (8%) times the gross earnings earned during the previous vacation year, whichever is greater.
More than fifteen (15) years	Five (5)	Thirty (30) days pay for eight (8) hour shifts or twenty (20) days pay for twelve (12) hours shifts  OR ten percent (10%) times the gross earnings earned during the previous vacation year, whichever is greater.

- (b) Employees are entitled to receive their vacation time off and accrue vacation pay in the calendar year in which their anniversaries fall. Each employee, upon completion of his or her first (1<sup>st</sup>) year of service shall take his or her vacation in the calendar year of his or her first (1<sup>st</sup>) anniversary. Thereafter, subject to the provisions of Article 11, each employee shall have his or her vacation scheduled at any time during the calendar year regardless of his or her anniversary date.

### 11.03 Vacation Hours Based on Shifts

For eight (8) hour shift employees, a vacation week shall consist of seven (7) consecutive days for all employees who work Monday through Friday. For all employees who work 7-1, 7-2, 7-4, or 10-4, shift schedules, a vacation week shall be one (1) complete shift rotation plus appropriate days off as per the 7-1, 7-2, 7-4 shift schedule vacation entitlement.

For twelve (12) hour shift employees, a week of vacation shall consist of one (1) shift rotation or four (4) days off plus four (4) working days plus four (4) days off.

### 11.04 Scheduling of Vacations and Vacation Shutdown

- (a) The Employer may elect to take a vacation shutdown and schedule employee vacations during that time. Notification of vacation shutdown periods shall be communicated by March 1<sup>st</sup>. Employees shall submit vacation requests by March 31<sup>st</sup>. All approved scheduled vacation will be posted by April 30<sup>th</sup>. Unscheduled vacation time remaining and banked time will be granted,



based on operational requirements, on a first come, first served basis following the granting of scheduled vacation.

Where possible, time designated as a vacation shutdown shall be scheduled to coincide with the major school vacation periods. No designated single vacation shutdown period shall be longer than thirty (30) calendar days.

- (b) Where work is required during a vacation shutdown the work available shall be offered to the employees normally scheduled to work in their department, classification, and shift on a seniority basis. Failing acceptance, the work shall be assigned to the most junior employee(s) normally scheduled to work in that department, classification, and shift.
- (c) Vacations for eligible employees shall be scheduled throughout calendar year whenever the employee desires them, provided the Employer reserves the right to allotment of vacation periods in order to ensure orderly operations of the mine.
- (d) At the option of the employee, all vacations may be taken at one (1) time, or two (2) or three (3) different periods, but each period will be at least one (1) week in duration.

#### **11.05 Vacation Pay Date**

Vacation pay will be paid on the regular pay day, calculated at the employee's base rate for the pay period in which vacation is taken.

#### **11.06 Termination**

Vacation pay for employees who leave the employment of the Employer for whatever reason shall be computed as follows:

- (a) Terminated employees who have not completed their first (1<sup>st</sup>) year of service shall receive the appropriate percentage of earnings as defined in Article 11.02.
- (b) Employees who have not taken their vacations and who have passed their anniversary date in the calendar year of their termination will receive their vacation entitlement as per Article 11.02 for the completed year plus the appropriate percentage of earnings for months worked after their last anniversary.
- (c) Employees who have taken all vacations earned shall receive the appropriate percentage commensurate with years of service, as per Article 11.02, upon termination for months worked after their last anniversary except as provided in Article 11.07.

#### **11.07 Age Eligible for Retirement Vacation Payout**

Any employee sixty two (62) years of age and over who terminates or retires shall be paid a pro-rata portion of his or her vacation entitlement or a percentage of his or her earnings for that vacation year, whichever is greater.

## **ARTICLE 12 RATES OF PAY**

### **12.01 Wage Scales**

The Employer agrees to pay employees covered hereby, and the Union agrees that members will accept, wages for work performed in the various classifications contained in the Schedule of Wages set forth in Exhibit "A" and Exhibit "B" attached hereto.

### **12.02 New Classifications**

- (a) The Employer shall not establish a new job classification until the Union has been notified in writing at least thirty (30) days prior to the new job classification becoming operational. The wage rate for such new job classification shall be established by agreement between the Employer and the Union.
- (b) In the event the Union and the Employer cannot agree on a wage rate within the thirty (30) day period specified in Article 12.02(a), the Employer will assign an interim rate and the parties will proceed to Arbitration.
- (c) The final adjustment will be retroactive for the hours worked on the job.

### **12.03 Dual Classification**

In the case of an employee working in a dual capacity he or she shall be paid the rate that is highest for the class of work performed on any one shift.

Tradespersons working in Maintenance A with two recognized trade certifications or more covered by the Collective Bargaining Agreement will receive an additional fifty cents per hour (\$0.50/hour) in addition to the regular trade rate.

### **12.04 OVERRATES**

On application of the "red circle" rates it is understood that the employee will not have his or her overrate reduced so long as he or she remains in the classification in which he or she holds the overrate. When he or she moves to another classification he or she will be paid the contract rate for the classification.

### **12.05 Shift Differential**

- (a) For employees working eight (8) hour shifts, shift differential shall be paid as follows:
  - 1. An employee on one (1) shift (steady day shift) no premium.
  - 2. An employee working two (2) shifts (day shift plus night shift or afternoon shift) shall receive twenty cents per hour (\$0.20/hour) premium for all hours worked.

3. An employee working three (3) shifts, or steady afternoon and night shift only, or steady night shift, shall receive twenty five cents per hour (\$0.25/hour) premium for all hours worked.
- (b) For employees working twelve (12) hour shifts, shift differential shall be paid as follows:
1. An employee working one (1) shift (steady day shift), no premium shall be paid.
  2. Employees working (2) shifts, day shift and night shift, shall receive a forty five cents per hour (\$0.45/hour) premium for all hours worked.
- (c) Shift differential shall be paid for all hours worked, except as stated in Article 12.05(a) 1 or Article 12.05(b)1.

#### **12.06 Pay Day**

- (a) Pay day shall be bi-weekly on every other Thursday. The employee shall be allowed seven (7) days hold back in order to prepare payrolls. If a general holiday falls on the regular pay day, employees shall be paid the last day worked before the general holiday. An employee desiring to leave the service of the Employer shall, on request, be paid all the monies due him or her within two (2) working days after his or her request.
- (b) If the employee has a mistake on his or her pay cheque, he or she shall be paid in full within two (2) working days after he or she requests so. If he or she does not request so, the mistake shall be rectified on his or her next pay day.

#### **12.07 Relief Supervisor**

- (a) Employees may perform supervisory work exempt from this Agreement on a temporary basis, not to exceed ninety (90) working days (cumulative) during any calendar year, without loss of seniority. An extension of time, on an individual basis, may be approved by mutual agreement in extenuating circumstances.
- (b) The Company shall notify the Union of such an employee's temporary transfer out of the bargaining unit and shall keep the Union posted on the number of cumulative days on a monthly basis and of the employee's return to the bargaining unit.
- (c) Subject to Article 12.07(a), the relief supervisor shall revert back to his or her original classification when not acting as a relief supervisor.
- (d) Subject to Article 12.07(a), any relief supervisor who reverts back to his or her original classification shall be exempt and excused from any and all obligations or requirements to pay new or additional initiation fees, dues, or other such amounts because of his or her having performed work pursuant to the provisions of this Article.

## **ARTICLE 13 HOURS OF WORK AND OVERTIME**

### **13.01 Work Schedules**

- (a) The work week shall commence 12:01am Sunday.
- (b) The Employer may implement the following work schedules on a simultaneous basis:
  - 1. Five (5) consecutive shifts Monday through Friday on a one (1), two (2), or three (3) shift basis
  - 2. Seven (7) days worked and one (1) day of rest followed by seven (7) days worked and two (2) days of rest followed by seven (7) days worked and four (4) days of rest on an one (1), two (2), or three (3) shift basis as per schedule 1
  - 3. Ten (10) days worked and four (4) days of rest, day shift only
  - 4. A condensed work week schedule consisting of four (4) consecutive twelve (12) hour shifts followed by four (4) consecutive days of rest
  - 5. A condensed work week schedule consisting of four (4) consecutive twelve (12) hour shifts followed by three (3) consecutive days of rest, followed by three (3) consecutive twelve (12) hour shifts followed by four (4) consecutive days of rest
  - 6. Five (5) by three (3) by two (2) twelve (12) hour work schedule
- (c) The term "work day" means that period of time commencing at the start of shift and terminating twenty-four (24) hours thereafter.
- (d) The Company may, from time to time, initiate, maintain, or discontinue work schedules.
- (e) Prior to the introduction of a new work schedule the Company will meet with the Union to explain and discuss the new schedule, and consider alternatives in order to resolve any concerns with may arise with the new schedule. Failing resolution, the Company retains the right to introduce new work schedules; however, the Union maintains the right to negotiate any Articles impacted by the introduction of a new work schedule.
- (f) Should a compressed or modified work week the described in Article 13.01(b) require approval from the Government of Alberta, the Union and the Company shall jointly apply for approval under the provisions or any relevant statute or regulation.

### **13.02 Overtime Rates**

Overtime at one and one-half times (1½x) the regular wage rate shall be paid for eight (8) hour shift employees as follows:

- (a) Any hours worked, on any day, Monday through Friday, that are not part of the regular eight (8) hour schedule for that week.
- (b) Any hours worked in excess of forty (40) straight time hours per week.

- (c) Any hours worked on scheduled days off except where the day off is a Sunday at which time all hours worked shall be paid at two times (2x) the regular wage rate.

### **13.03 Eight Hour Shift Premiums**

The following shift schedule premium shall apply for eight (8) hour shift employees:

- (a) All hours worked on Saturday shall be paid at a premium rate of one and one-half times (1½x) the regular wage rate.
- (b) All hours worked on Sunday shall be paid at a premium rate of one and one-half (1½x) except that when the fifth (5<sup>th</sup>) or sixth (6<sup>th</sup>) consecutive scheduled shift falls on a Sunday, then all hours worked on that day shall be paid at two times (2x) the regular wage rate.

### **13.04 Shift Holiday Pay Included in Overtime Determination**

For eight (8) hour shift employees, all hours paid on a holiday (as established in Article 10) whether worked or not, shall be counted as hours worked in determining overtime under the provisions of this Article.

### **13.05 Twelve Hour Shift Premiums**

The following shift schedule premium is to be paid to employees working the "four and four (4x4)", twelve (12) hour compressed work week schedule:

- (a) Employees on the condensed work week schedule consisting of four (4) consecutive twelve (12) hour shifts followed by four (4) consecutive days of rest shall work their scheduled twelve (12) hour shift at ten (10) hours times their regular straight time hourly rate and two (2) hours at one and one half times (1½x) the regular straight time rate.
- (b) The two (2) hour overtime premium will not be paid in the event the hours worked in excess of ten (10) hours fall on a statutory holiday which the employee works and for which he or she receives statutory holiday pay.
- (c) Article 13.02(a), (b), (c), 13.03(a), (b), and 13.04 will not apply to employees working the "4 and 4 (4x4)", twelve (12) hour shift schedule. Rather, time worked in excess of ten (10) hours in a day will be paid as per Article 13.05(a) and (b), and time worked on the employee's regularly scheduled day of rest will be paid at one and one-half times (1½x) the employee's regular hourly rate except if the day of rest is Sunday when the rate of pay will be double (2x) time.

### **13.06 Hot Change**

- (a) The marshalling point shall be the wash house.
- (b) An employee working on continuous or semi-continuous operations shall continue to work at his or her designated working place until he or she is relieved, unless directed otherwise by his or her supervisor.

- (c) A mine operations employee working on continuous or semi-continuous operations shall be paid a premium for each complete shift worked at the employee's designated working place. Should the total of the employee's time worked exceed the work shift by more than twenty (20) minutes, the time in excess of the twenty (20) minutes shall be paid at the applicable overtime rate as though it were an extension of the work shift.

The mine operations premium shall be: Twenty (20) minutes per day at one and one-half times (1½x) the regular wage rate.

### **13.07 Work Day Commencement**

Eight (8) hours work for eight (8) hour shift employees or twelve (12) hours work for twelve (12) hour shift employees commencing at the designated marshalling point will constitute a workday for all employees.

### **13.08 Voluntary and Critical Over Time**

- (a) All overtime shall be voluntary.

In cases where the employer deems that critical or emergency work is necessary, employees may be required to continue work up to a maximum of sixteen (16) consecutive hours. Employees who are required to stay for emergency or critical overtime work shall be entitled to nine (9) hours rest, commencing at the conclusion of the overtime period, before they begin their next regularly scheduled shift. Should the rest period continue into the employee's regularly scheduled shift, the employee will be paid for any regularly scheduled time missed as a result of the rest period.

Employees performing emergency or critical work during their regularly scheduled shift will first be provided with the overtime opportunity. Failing acceptance, preference will then be given on a seniority basis. If overtime is refused by all employees within the classification and shift, the junior employee(s) within the classification and shift will be required to stay.

- (b) In all departments, a system of equitable distribution of overtime beyond an employee's normal work schedule shall be established where each employee shall have the opportunity of overtime within his or her regular shift, classification, and work area.

Lists shall be established in each department and classification and shift starting with the most senior employee and so on down in seniority.

A record of overtime and/or refusal of overtime shall be kept on such lists. If an employee refuses overtime he or she shall be considered as having worked that overtime. Once an individual has worked overtime or has refused to work overtime he or she shall not have another opportunity until all other employees on the list within his or her shift, classification, and work area have the opportunity to work or refuse such offered overtime.

- (c) For overtime planned in advance on general holidays, the senior employee shall have the opportunity of first (1<sup>st</sup>) refusal of overtime within the classification and work area in which the

overtime is required. The next senior employee shall then have the opportunity, and so on. This would apply to the shifts that would have normally been scheduled to work that day. The only exception shall be a call in for start-up.

### **13.09 Requested Shift Change**

In the event an employee is requested to change shift during his or her regular scheduled work week, such an employee will be paid overtime for hours worked only on the first shift of the changed schedule.

### **13.10 Shift Pay for Injury**

Any employee being injured during his or her shift will be paid for the full shift.

### **13.11 Rest Breaks**

- (a) For eight (8) hour shift employees, it is agreed that each employee will have two (2) short rest breaks each not exceeding a duration of ten (10) minutes in addition to the twenty (20) minutes already provided for lunch, one (1) preferable in the first (1<sup>st</sup>) half of the shift, and the second (2<sup>nd</sup>) preferably in the second (2<sup>nd</sup>) half of the shift on the distinct understanding that the continuity of the operations is not affected.
- (b) For twelve (12) hour shift employees, it is agreed that each employee will have two (2) rest breaks each not exceeding a duration of fifteen (15) minutes in addition to the thirty (30) minutes already provided for lunch; one preferably in the first (1<sup>st</sup>) half of the shift, and the second (2<sup>nd</sup>) preferably in the second (2<sup>nd</sup>) half of the shift on the distinct understanding that the continuity of the operations is not affected.
- (c) For twelve (12) hour shift pit employees, it is agreed that each employee will have two (2) rest breaks each not exceeding a duration of thirty (30) minutes, one (1) preferably in the first (1<sup>st</sup>) half of the shift, and the second (2<sup>nd</sup>) preferably in the second (2<sup>nd</sup>) half of the shift on the distinct understanding that the continuity of the operations is not affected.

### **13.12 Pyramiding**

There shall be no pyramiding of overtime or any other premiums.

### **13.13 Overtime Banking**

- (a) Banked time is established to allow employees the opportunity to take time off without loss of pay. It is available to those employees who have completed their probationary period.
- (b) Employees working overtime may elect, at the time the overtime is worked, to bank the overtime hours worked and will be paid the premium. For example, an employee working twelve (12) hours at one and one half times (1½x) may bank twelve (12) hours and will be paid six (6) hours at straight time.

- (c) Only overtime worked over and above an employee's normal work schedule or hours worked on a Statutory Holiday may be banked. All hours described in Articles 13.05 and 13.06 cannot be banked.
- (d) Employees may accumulate a maximum of ninety-six (96) hours straight time at any given time.
- (e) Employees may take a maximum of ninety-six (96) hours banked time off in any calendar year. Accrued banked overtime hours may be carried over into the next calendar year, but the maximum of ninety-six (96) hours banked time off in any calendar year applies.
- (f) If the scheduling of banked time off conflicts with the scheduling of vacation, vacation requests approved as of April 30<sup>th</sup> will be given preference. Banked time will be granted at the Company's discretion based on operational requirements on a first come first serve basis following the granting of scheduled vacation.
- (g) An employee may request no more than two (2) payouts of banked time per calendar year on the first pay period in June and December.

## **ARTICLE 14 SAFETY**

### **14.01 Compliance**

It is understood and agreed that the parties to this agreement shall at all times comply with the accident prevention regulations as they pertain to the coal mining industry, as set by the relevant legislations in the Province of Alberta, and safety regulations instituted by the employer and the "Occupational Health and Safety Committee" (OH&S Committee).

Appropriate safety devices and practices for the purpose of protecting the employee from injury, incident or unhealthy conditions of work shall be employed.

### **14.02 Occupational Health and Safety Committee**

The Employer shall maintain an incident prevention committee comprised of three (3) area managers, or their designates, and three (3) appointed union members or their designates to be known as the OH&S Committee. The meetings of the OH&S Committee shall be co-chaired by one (1) union member and one (1) area manager. These positions are to be rotated every six (6) months. The committee's purpose is to work together to promote health and safety awareness and incident prevention for all employees at Cardinal River Operation through visible leadership, education, and involvement.

### **14.03 Occupational Health and Safety Committee Appointment**

The Union members of the OH&S Committee shall be appointed by the local executive.

### **14.04 Occupational Health and Safety Committee Monthly Meetings**

The OH&S Committee shall meet once each month. There will be monthly inspection tours of the individual departments as determined by the OH&S Committee. Meeting minutes and tour findings of the OH&S Committee meeting are to be forwarded to the union local office and posted on all site bulletin boards within seven (7) days of the meeting.



#### **14.05 Union Safety Chairperson**

The union safety chairperson shall be informed of all serious incidents on site with the opportunity to investigate and/or review all details of the investigation.

The Company will endeavor to notify the union safety chairperson of all site safety tours being carried out by government mine inspectors. When the site is notified in advance of a site safety tour, the employer will notify the union safety chairperson who will make arrangements to attend the tour, or have his or her designate attend the tour, unless directed otherwise by the inspector.

#### **14.06 Shift Safety Steward**

The shift safety steward shall be duly elected by his or her fellow shift employees.

The shift safety steward on shift shall immediately be notified of all incidents, and:

- (a) Shall have the right to investigate those incidents involving personal injury requiring first aid treatment other than for minor injuries.
- (b) Shall have the right to investigate all major incidents or serious happenings in the operation.
- (c) Shift safety stewards shall be paid by the Employer at their regular classified rate for all time spent investigating accidents, serious happenings, inspection tours and meetings.
- (d) Shift safety stewards shall tour their immediate areas once each month with their supervisors. These tours are to be held prior to the monthly safety meeting.

#### **14.07 Meeting Minutes**

One (1) copy of the minutes of the monthly meetings shall be retained at the Mine Office, a second (2<sup>nd</sup>) copy forwarded to the Local Union.

#### **14.08 Unsafe Acts or Conditions**

- (a) Where any unsafe condition is found or reported to any safety steward on shift; that safety steward will have the right to inspect the situation along with the supervisor.
- (b) When any significant unsafe condition is reported, it shall be investigated by the shift safety steward and a supervisor. If the shift safety steward and the supervisor do not agree that the condition is unsafe and what remedy, if any, is to be taken, a qualified individual shall be called in to assess the condition and recommend such corrective action as may be necessary.
- (c) A worker may refuse to do any particular act or series of acts at work which he or she has sufficient grounds to believe are dangerous to his or her health or safety, the health and safety of his or her co-workers or anyone on the mine site. No employee will be disciplined for refusing unsafe work. At the time of refusal the employee must specify the unsafe conditions which formed a basis for his or her refusal to work and must work with the employer, if required, to identify adequate controls for the unsafe condition.

#### **14.09 Crew Safety Meetings**

All crews must hold a safety meeting at least once a calendar month. The supervisor and safety steward shall draw up the agenda for the meeting. The meeting will provide all employees with an opportunity to ask questions pertaining to health and safety. These meetings will not exceed one (1) hour in duration. Minutes of the meeting will be taken.

#### **14.10 Accompanying Injured Employees**

- (a) When an employee is ordered by the management to accompany an injured employee, he or she shall be compensated at his or her regular rate for time necessarily lost.
- (b) However, for eight (8) hour shift employees, in the event that an employee is so ordered during the last half of his or her shift, he or she shall not be required to return to the mine for the balance of the shift and shall receive payment at his or her regular rate of the full shift.

For twelve (12) hour shift employees, in the event that an employee is so ordered during the last third (3<sup>rd</sup>) of his or her shift, he or she shall not be required to return to the mine for the balance of the shift and shall receive payment at his or her regular rate for the full shift.

#### **14.11 Safety Equipment**

The Employer shall supply all necessary safety equipment including approved respirators and/or face masks at no cost to the employee. Respirators and/or face masks shall be stored in a convenient, clean and sanitary location on the job site. Respirators and/or face masks shall be selected on the basis of hazards to which the employee is exposed. The Employer shall have a first aid kit on all projects. The employees must, at all times, preserve the safety equipment they use and not abuse or willfully destroy the equipment supplied by the Employer.

#### **14.12 Physical Examinations**

- (a) Whenever an employee is required by the Occupational Health and Safety Act to have periodic physical examinations, an employee shall be paid four (4) hours at his or her classified rate. The Employer shall pay the full cost of the physical examination.
- (b) The pre-employment medical, if requested by the Employer, shall be paid in full by the Employer.
- (c) The employee shall take the examination at the designated medical clinic most convenient to him- or herself.

#### **14.13 Protective Clothing**

- (a) Proper protective clothing shall be available for the welders to check out of stores whenever such clothing is required (e.g. gloves, aprons, arc air hoods, etc.).

- (b) Employees are to be supplied on a loan basis with wet suits, rubber gloves, safety glasses, dust masks, and ear plugs or muffs, safety belts, by-product and protective footwear. Replacement issues will be made upon return of the previous issue.
- (c) The Company will replace one (1) set of prescription safety lenses per employee per calendar year.

#### **14.14 Accidental Fatality in the Mine**

In the event of the death of an employee due to an accident during the course of his or her shift on the mine property, all employees shall suspend work immediately and for twenty-four (24) hours following the shift on which the accident occurred. They shall then resume work and continue work until the day of the funeral at which time all areas shall be idle to allow fellow employees to attend the funeral service. The mine shall not be idle for the funeral if it is outside the Canadian borders.

#### **14.15 Extreme Weather Conditions**

When extreme weather conditions exist, the Employer will make adequate arrangements to limit and/or protect affected employees from prolonged exposure.

#### **14.16 Shift Bus Operators**

All shift bus operators shall be designated as such and shall receive training and instruction in such things as: safe vehicle operation, safety rules, and pick-up and delivery procedures. Only those who have completed this training shall be allowed to drive shift buses.

### **ARTICLE 15 EMPLOYEE CONDITIONS**

#### **15.01 Tools Provided**

All employees working on jobs which require the use of tools such as a pick, shovel, saw or axe are required to obtain a set of tools from or through the Employer. The Employer will supply these tools on a loan basis.

#### **15.02 Required Tools for Trades Person Rates**

- (a) Journeyperson and uncertified tradespersons shall be required to have a full kit of hand tools necessary to perform the job for which they are hired before they can qualify for the appropriate tradesperson's rate with the exception of machinery or tools which do not fall within the responsibility of the tradesperson. The Company shall provide drill bits, files, emery cloth, wire brushes, and hacksaw blades as designated by the department head(s).
- (b) Those tradespersons and apprentices who must buy and maintain their own tools, including conversion to metric tools, shall receive a tool allowance for each shift worked on the following basis:

**Tool Allowance Schedule**  
Tradesperson, Apprentice, and Serviceperson

	Eight (8) Hour Shift	Twelve (12) Hour Shift
<p style="text-align: center;"><b>Group I</b></p> Heavy Equipment Technician Millwright Instrument Mechanic Automotive Service Technician Electrician Apprentices (Group I)	\$2.25	\$3.00
<p style="text-align: center;"><b>Group II</b></p> Welder Machinist Serviceperson Apprentices (Group II)	\$1.50	\$1.90

**15.03 Wash House Facilities**

- (a) Proper wash house facilities with hot and cold running water or mixed hot/cold running water shall be provided by the Employer. Waterless hand cleaner shall be provided by the Employer where necessary at the Employer's discretion.
- (b) Every employee shall have one (1) full size locker for dirty clothes and one (1) seventy two inches by twelve inches by fifteen inches (72" x 12" x 15") locker for his or her clean clothes. Lockers shall be in separate rooms.

**15.04 Safety Equipment Allowance**

- (a) All employees will receive a "Safety Equipment Allowance" of fifteen dollars per month (\$15.00/month).
- (b) The Safety Equipment Allowance paid to all employees under this Agreement shall be in lieu of any previous past practice as it relates to the serviceperson classification.

**15.05 Access to Mine**

Access to Company facilities will be made available to Union officials designated by the International.

**ARTICLE 16 SICKNESS AND DEATH BENEFITS**

**16.01 Benefits Provided**

- (a) The Company agrees to pay the premium on behalf of each employee to provide the following benefits:

1. A payment of fifty thousand dollars (\$50 000.00) to the designated beneficiary or estate of each employee in the event of the employee's death by natural causes, on or off the job.
  2. A payment of one hundred thousand dollars (\$100 000.00) to the designated beneficiary or to the estate of each employee in the event of the employee's accidental death, on or off the job.
  3. A payment of twenty thousand dollars (\$20 000.00) for the loss of both hands, both feet, sight of both eyes, one hand and one foot, one hand and sight of one eye, or one foot and sight of one eye.
  4. A payment of ten thousand dollars (\$10 000.00) for the loss of one hand, one foot, sight of one eye or total hearing of either ear.
  5. In the event of total disability of any employee the death benefit of fifty thousand dollars (\$50 000.00) will be maintained so long as proof is provided every three months of the continued total disability and will continue without cost to employee up to but not beyond the age of sixty five (65).
  6. Article 16.01 (a) shall be effective on the first day of employment of every employee.
- (b)
1. The Employer agrees to pay premiums to provide a payment of weekly indemnity benefit for each employee in event of total disability resulting from sickness or off-the-job accident up to a maximum of fifty two (52) weeks for each period of disability.

This benefit is seven hundred dollars per week (\$700.00/week).

2. The weekly indemnity benefit payment for eight (8) hour employees shall commence on:
  - (i) The fourth (4<sup>th</sup>) day of sickness.
  - (ii) The first (1<sup>st</sup>) day of an off-the-job accident.
  - (iii) The first (1<sup>st</sup>) day of hospitalization.
3. The weekly indemnity benefit payment for twelve (12) hour employees shall commence on:
  - (i) The third (3<sup>rd</sup>) day of sickness.
  - (ii) The first (1<sup>st</sup>) day of an off-the-job accident.
  - (iii) The first (1<sup>st</sup>) day of hospitalization.
4. It is a condition of employment that all employees will join and remain in these benefits plans as per Article 16.01(a) and (b).

## **16.02 Payment of Plan Costs**

The Employer shall pay the total cost of the plans described in Article 16.01(a) and (b).

### **16.03 Alberta Health Care Premiums**

The Employer agrees to pay one hundred percent (100%) of the actual Medicare (Alberta Health Care) premium cost and to pay one hundred percent (100%) of the actual supplementary health care (benefits carrier) premium cost for all employees covered by this Agreement. The supplementary health care shall provide one hundred percent (100%) payment of prescription drug costs.

### **16.04 Insurance on Employee's Clothing**

The Employer will insure employee's clothing in the wash house against loss by fire to maximum of two hundred dollars (\$200.00) in each individual case.

### **16.05 Dental Care Plan**

The Company shall pay the premium cost of a Dental Care program for the employee, his or her spouse, and their dependent children under the age of nineteen (19) years. This benefit will include children under the age of twenty six (26) in the case of a full-time student wholly dependent on the employee for support. The level of benefits subject to the terms of the insuring company's policies, procedures, and regulations shall be as follows:

(a) Basic Dental Benefits (Plan A) - one hundred percent (100%) coverage.

Major Restorative Benefits (Plan B) - one hundred percent (100%) coverage.

1. Plan A and Plan B are a combined maximum of four thousand dollars (\$4 000.00) per contract year, per insured individual.

Orthodontic Benefits (Plan C) – fifty percent (50%) coverage to a lifetime maximum of two thousand dollars (\$2 000.00) per insured individual.

### **16.06 Long Term Disability**

(a) Long term disability insurance will be provided commencing after fifty-two (52) weeks of disability and continuing to a maximum of age sixty-five (65) for eligible employees. The amount of such disability benefit to be paid to new claimants shall be one thousand eight hundred and fifty dollars per calendar month (\$1 850.00/month), reduced by the amount of compensation an employee receives from the WCB.

(b) The cost of the long term disability premiums of the plan will be borne by the Company.

(c) Additionally, employees who are receiving benefits under the long term disability insurance program will be entitled to receive the following benefits under the Collective Agreement:

1. Life Insurance
2. Dental Care
3. Medicare (Alberta Health Care)
4. Supplementary Health

The level of benefits will be those in effect at the time the individual qualifies for the long term disability benefit. Employees receiving long term disability insurance will not be eligible for any other benefits under the Collective Agreement.

The individual shall retain his or her seniority as of the time of becoming disabled but shall not accrue seniority for time while receiving long term disability benefits.

#### **16.07 Vision Care Program**

The Company shall pay the premiums for the establishment of a vision care program for the employee, his or her spouse, and their dependent children under the age of nineteen (19) years and children under the age of twenty six (26) in the case of a full-time student wholly dependent on the employee for support which will provide payments for frames and lenses to a maximum of three hundred and fifty dollars (\$350.00) every twenty-four (24) months per insured family member.

#### **16.08 Establishment of Additional Sickness and Death Benefits Features**

Other features of the Sickness and Death Benefits program shall be standard and established by the Company, and shall be discussed with the Union before being established.

### **ARTICLE 17 LEAVE OF ABSENCE**

#### **17.01 Compassion and Bereavement Leave**

Leave of absence on compassionate grounds or for long journeys will not be unreasonably withheld by the Employer.

When death occurs in an employee's immediate family an employee, upon request, will be excused for up to three (3) consecutive days. The employee shall receive pay at his or her regular straight time rate for any such excused shifts he or she would have worked in such three (3) consecutive days.

Immediate family is defined as:

Spouse	Daughter	Brother-in-law
Mother	Daughter-in-law	Sister
Father	Son	Sister-in-law
Mother-in-law	Son-in-law	Grandmother
Father-in-law	Brother	Grandfather

Granddaughter

Grandson

**17.02 Jury Duty**

When an employee is called for jury service, or subpoenaed as a Crown witness (prosecution or defense), he or she shall be excused from work on the days he or she is required to appear in court. Employees called for jury or witness duty, upon proof of such service and of the amount of pay received therefore, will be paid whatever sum, if any, is necessary in addition to the fees received for jury/witness duty service to reimburse him or her for earnings lost because of such duty.

**ARTICLE 18 JOB POSTINGS**

**18.01 Bid Procedure**

- (a) In all cases of advancement through the job grouping system the senior employee shall have preference.
- (b) All permanent job vacancies not in the job grouping system which will be filled through the bid procedure will be posted in the dry for a period of eight (8) calendar days during which time bids will be accepted. Copies of all postings will be sent to the Local Union office.
- (c) The following job vacancies will be filled through job postings open to all bargaining unit employees:

Entry Level	Pumperson	Serviceperson
Equipment Operator I	Blaster’s Helper	Pit Utility
Process Operator I	Washbay Attendant	
Shop Labourer	Backhoe	

Process Utility - filled in the processing plant from Equipment Operator III.  
 Crane Operator - Filled through employees in Maintenance Department.  
 Tradesperson - Open to internal applicants who have already held the position at the operation.  
 Shovel/Drill Operators – Open to senior qualified employees

Should training programs be developed for the preceding positions or for any classification outside the job grouping system created hereafter, the most senior employee successfully completing the company training programs will be awarded the position through the job posting procedure.

**18.02 Time Frames**

Selection from those employees applying on job postings will be made by the Employer in accordance with Article 8.01. The selected applicant will be advised within five (5) calendar days from the date of closing of the posting. Notification of the successful applicant will be posted in the dry for a period of eight (8) days. Copies of all successful applicant postings will be sent to the Local Union office. Within twelve (12) working days, the successful applicant will be reclassified and placed in his or her new job. If the Company is unable to release the successful applicant he or she will be paid the new rate, if higher, after the twelve (12) working days.



### **18.03 Temporary Bids**

When vacancies exist for a period greater than ninety (90) days as a result of short term disability or WCB, the Company shall post the vacancy with the understanding that the displaced employee, upon returning to work, shall return to his or her original position. The employee holding that position during the absence of the displaced employee shall revert to his or her former position. All other positions affected shall also revert.

- (a) When the vacancy exists for longer than one (1) year it shall be reposted as a permanent position.
- (b) Employees on long term disability or WCB who return to work after an absence of greater than one (1) year shall either:
  - 1. Replace a less senior employee in his or her previous job position or, if no such employee is less senior,
  - 2. Replace a less senior employee in a classification in which he or she has paid Company experience.

### **18.04 Bidding Restrictions**

- (a) There shall be no time limitation for an employee who bids on a permanent job vacancy within a Job Group which carries a higher wage rate than his or her current rate. However, an employee will not be entitled to bid on a permanent job vacancy within the same Job Group or one carrying a lower wage rate than his or her present rate for a period of twelve (12) months since his or her last job change under this procedure unless mutually agreeable to the Employer and the Union.
- (b) Employees hired for a specific department and employees bidding into a specific department shall remain in his or her chosen department for a minimum of one (1) year. Without prejudice to the foregoing, employees shall be allowed to bid on an apprenticeship or trainee job vacancy regardless of the time spent in a particular department.
- (c) Departments shall be defined as:

Plant	Includes all plant operating and mechanical crews.
Pit	Includes all mine operating crews, but does not include any mechanical or electrical trades.
Maintenance	Includes all shop, shovel and drill, gas shop maintenance, building and ground maintenance and servicing crews.
Warehouse	Includes all receiving, shipping and wicket warehousepersons.
Electrical	Includes all instrumentation, shop and plant electricians, and lineperson crews.

### **18.05 Promotions of Junior Employees**

- (a) In the event that there are no applicants, the Employer reserves the right to promote the junior employee(s) trained for the job or, if no trained personnel are available, to fill the job from any other source.
- (b) Should an employee refuse a promotion as provided in Article 18.05(a) to a position for which he or she has been trained, he or she will be required to bid out of the training program within one (1) month, providing a bid has been posted for which he or she is qualified.

### **18.06 Training Probationary Period**

An employee accepting a new position or posted vacancy shall be allowed a probationary training period not to exceed fifteen (15) workdays working on the job. Subject to Article 18.04, all applicants who bid on jobs and are chosen according to the terms of the job posting procedure will be given proper instructions by the supervisor and/or through the training programs established in the respective departments.

### **18.07 Unsuccessful Training Probationary Period**

Employees who do not successfully complete the probationary period will revert to their former position. Such employees will not be eligible to re-bid on that job for a period of six (6) months.

### **18.08 Labourer Bids**

Labourer positions are entry level jobs and will therefore not be subject to the job posting procedure.

### **18.09 Shift Trainer**

- (a) The Company shall appoint senior qualified employees as shift trainers who shall work in cooperation with the staff trainers and shift supervisor in training employees on mobile equipment in the pit operation and assisting in upgrading operator's abilities and skills.
- (b) The shift trainers shall be consulted as to a trainee's progress but the final determination as to the trainee's ability to operate alone shall be the responsibility of a staff trainer.
- (c) Subject to Article 12.03 the shift trainer shall revert back to his or her original classification and rate when not actively training.
- (d) A shift trainer shall not have the authority to hire, discharge, promote, discipline, or otherwise effect changes in the status of employees or effectively recommend a change in status or disciplinary action.
- (e) The Company shall notify the Union in writing of the names of all employees who have been appointed as shift trainers within three (3) days of the appointment.

- (f) An employee designated as a shift trainer shall be paid one dollar per hour (\$1.00/hour) over his or her regular hourly rate of pay when actively training.

**ARTICLE 19 TRAINING**

**19.01 Training of Equipment and Process Operators**

- (a) The company will ensure that a proper and timely training schedule shall be put in place to provide for the advancement of all employees who seek to progress through the equipment operator program.

Training will be awarded based on seniority.

Equipment Operators:

Within the equipment operator progression there are four (4) functions defined for progression purposes. These are: loader, dozer, grader, and haulage truck.

Wage progression from level to level will be through qualifications (experience, demonstrated knowledge, and ability) in accordance with the following:

Level	Qualifications	Job Class
Equipment Operator IV	Four (4) of four (4) types of equipment	8
Equipment Operator III	Three (3) of four (4) types of equipment	7.5
Equipment Operator II	Two (2) of four (4) types of equipment	7
Equipment Operator I	Haulage truck driver	6

Process Operators:

Within the process operator progression there are four (4) functions defined for progression purposes. These are: coarse operator, fines operator, dryer, and load-out.

Level	Qualifications	Job Class
Sr. Process Operator	Completed all functions	8
Process Operator III	Completed three (3) or four (4) functions	7
Process Operator II	Completed two (2) of four (4) functions	5
Process Operator I	Entry Level	3

- (b) The following job vacancies will be filled through the identified lines of progression:

<b>Job Progression: Blaster</b>			
Open To	Job Posted	Successful	Progress To
All employees →	Blaster’s Helper →	Senior qualified Blaster’s Helper →	Blaster

<b>Job Progression: Control Room Operator</b>		
Open To	Job Posted	Successful
Senior Process Op	→ Control Room Operator	→ Senior qualified Senior Process Operator

- (c) Training opportunities for the shovel/drill operators will be posted on the job posting bulletin boards within the mine operations department. Interested employees will submit a job bid application form. Selection of candidates will be awarded by seniority on the affected shift. Employees accepted on training for shovel/drill will not be entitled to train on the alternate equipment until the first training is complete. Once the individual training has commenced, a senior employee will not be entitled to bump a less senior employee out of his or her training opportunity.

**19.02 Best Practice Teams**

Training hours will be established based on recommendations from the best practices team(s). If the team(s) do not identify training requirements for specific jobs training hours will be agreed upon between the Company and the Union.

**ARTICLE 20 APPRENTICESHIP TRAINING PROGRAM**

**20.01 Purpose**

- (a) The purpose of this program will be to provide the Employer with a pool of trained tradespeople and to provide Cardinal River Operations’ employees with the opportunity to achieve trades certification through an onsite apprenticeship.
- (b) To this end a committee will be established consisting of two (2) Employer representatives and two (2) Union representatives. The purpose of this committee will be to ensure apprenticeship training, and certification occurs in an efficient and orderly manner.

**20.02 Posting**

- (a) Apprenticeship opportunities will be posted.
- (b) Selection of apprentices will be as follows:
  1. Must possess the mental and physical capacity to perform the job. In determining mental capacity, candidates must achieve a minimum seventy percent (70%) on the Company’s selection test.
  2. In addition to Article 20.02(b)(1), selection of apprentices will alternate between the best candidate as determined by the Company and the senior candidate.
  3. Preference will be given to candidates that do not already possess a trades ticket, unless mutually agreed otherwise.

### **20.03 General**

- (a) In the event that an apprentice fails the tests at the end of his or her period of training in the vocational school, the apprentice will be given an opportunity to re-attend that period of training provided his or her on-the-job training evaluation indicates favorable progress. Should the apprentice fail to repeat the period of training he or she shall be required to withdraw from the program.
- (b) While the apprentice is engaged in attending vocational school as part of his or her apprenticeship training, he or she shall receive payment from the Employer in the amount of forty (40) hours per week times his or her hourly wage rate as specified in Exhibit "A", less any Government subsidy received.
- (c) All apprentices shall be required to have and maintain a basic tool kit and be in the general process of building up the necessary tools to equip themselves for the job.
- (d) All journey tradesperson shall be required to have a full kit of hand tools necessary to perform the job before he or she can qualify for the journey person's rate, with the exception of machinery or tools which do not fall within the responsibility of the journey person.

## **ARTICLE 21 ABSENTEEISM/DISCIPLINE**

### **21.01 Absenteeism**

- (a) If an employee is unable to work, he or she must notify his or her supervisor prior to the shift.
- (b) A doctor's note requested by the Company will be paid for by the Company.

### **21.02 Disciplinary Procedures**

- (a) Every employee shall have the right to have a Union representative present whenever disciplinary action is taken.
- (b) Employees' signatures appearing on disciplinary documents or personal files shall be interpreted to indicate receipt of the document only and not necessarily agreement with the content.
- (c) Employees shall be allowed to inspect his or her personnel file(s) upon request every three (3) months.

## **ARTICLE 22 CHRISTMAS BONUS**

All employees who have one (1) year of continuous service as of December 1 of any one (1) year shall receive a Christmas Bonus of one hundred and twenty five dollars (\$125.00) payable on the pay day prior to Christmas. Those employees with less than one (1) year's continuous service as of December 1 shall receive a pro-rata payment.

## **ARTICLE 23 EMPLOYEE TRANSPORTATION**

### **23.01 General**

Transportation of all employees between Hinton and the mine site shall be provided by the Employer at no cost to the employees using coach style busses or another mutually agreed to form of transportation.

Schedules, routing, and central pick-up points will be agreed upon between the Employer and the Union.

The Employer will not be responsible for any employee missing transportation in Hinton or at the mine site unless the employee is detained at the request of the Employer.

Conduct on the bus shall be in accordance with regulations established by the Employer and the Union.

The Employer will be responsible for time lost by employees due to late arrival of the bus at the mine site. Employees who refuse alternate transportation will not be compensated for time lost.

### **23.02 Emergency Transportation**

The Employer shall provide transportation from the mine site to home in case of emergencies, or to a medical facility in cases of sickness or injury requiring transportation.

### **23.03 Hot Change Transportation**

Transportation from the mine site to Hinton shall be scheduled to eliminate employees from waiting after shift for those employees who hot change.

## **ARTICLE 24 SENIORITY LIST**

The Company agrees to provide a seniority list of employees covered by this Agreement in January, May, and September of each calendar year. The Company agrees to send one (1) copy to the Union Office and have copies posted behind plexi-glass in all wash houses.

## **ARTICLE 25 INCOME TAX DEDUCTIONS**

All deductions, including Union dues, as allowed for tax purposes by the appropriate authority will be shown on the employees' earnings slip at the end of each tax year.

## **ARTICLE 26 SEVERANCE PAY**

### **26.01 Severance Pay**

- (a) If at the time of layoff no return to work date is given, then the laid off employees are eligible for severance pay at the time of layoff notice.

- (b) If the return to work date is greater than thirty (30) days hence, then the laid off employees are eligible for severance pay at the time of layoff.
- (c) Where the total number of days laid off exceeds thirty (30) days in any twelve (12) month period, the employees shall be entitled to severance pay.
- (d) Should the Company be forced to layoff any employees for an indefinite period due to a shortage of work, those employees laid off will be eligible for a severance payment of four (4) hours pay per month of service at the employee's regular rate of pay up to a maximum of five hundred (500) hours provided that:
  - 1. Employees accept the severance pay as final termination of employment with the Company and will no longer be eligible for any recall rights under the Collective Agreement.
- (e) It is understood that the above provisions will apply to employees going on long term disability benefits or dying. Termination of employment for reasons other than those stated above (i.e. quits or discharge for cause), are not to be construed as a layoff.
- (f) It is further understood that the above benefits are payable in addition to the technological change provisions in Article 8.

## **ARTICLE 27 HOT MEALS**

- (a) Whenever an employee works two (2) hours beyond his or her normal shift, he or she will be entitled to a hot meal and beverage. A hot meal and beverage will be made available to the employee every additional four (4) hours worked thereafter.
- (b) If an employee works an eight (8) hour shift before his or her regular shift, he or she will be entitled to the same benefits as Article 27(a):
  - 1. On his or her normal shift,
  - 2. Employees on "call out" for a period in excess of four (4) hours, and who continue to work into their regular shift, will be entitled to hot meals and beverages in accordance with Article 27(a).

## **ARTICLE 28 COST OF AGREEMENTS**

The Employer shall pay the total cost of:

- (a) The memorandum of Agreements [one (1) copy per employee], and
- (b) Printed Agreements will be supplied to all employees within sixty (60) days of ratification of the Agreement.

## **ARTICLE 29 CASUAL EMPLOYEES**

### **29.01 Intention**

In an effort to reduce contracting out and reduce costs, and to afford the Company better opportunities to provide leave of absence, preferred vacation times, the Company and Union agree to the following terms and conditions for the hiring of causal employees.

The need may arise to hire employees to perform work from time to time where it is not feasible to utilize or hire a permanent employee.

### **29.02 Definition**

- (a) Casual employment is defined as work which is of a temporary nature. The following are only examples and it is agreed that casual work is not limited to these examples:
  - 1. Fire watch
  - 2. Special labourer work
  - 3. Special projects
  - 4. Leave of absences
  - 5. Vacation relief
- (b) Special project work will be reviewed with the Union.
- (c) Special projects may be posted for permanent employees and resulting vacancies will be filled by casual employees at entry level if the project allows.
- (d) There will be no more than a number equal to five percent (5%) of the bargaining workforce unless by mutual agreement.
- (e) The hiring of casual employees will not replace permanent jobs or employees.
- (f) The Company will review with the Union each month the number of casual employees employed at the operation.
- (g) Retired employees of Cardinal River who apply for casual work may be given preference of casual work that they have the ability to perform.
- (h) Qualified bargaining unit employees will be offered the opportunities to fill higher paying jobs that are temporarily vacated before a casual employee is utilized to perform such job.

### **29.03 Duration**

A temporary work assignment as defined in Article 29.02 shall not exceed ninety (90) calendar days unless the Company and the Union mutually agree to extend this time limit.



#### **29.04 Casual Pay**

Casual employees will be paid:

- (a) The rate of the job they are performing;
- (b) Sixty cents (\$0.60) per hour in lieu of benefits;
- (c) Vacation pay at the rate of four percent (4%) of gross wages (payable each pay period);
- (d) Statutory holiday pay at the rate of four percent (4%) of gross wages (payable each pay period);
- (e) One and one half times (1½x) the employee's regular rate of pay for time worked on a statutory holiday;
- (f) Premiums in accordance with Article 12;
- (g) Overtime rates in accordance with Article 13.

#### **29.05 Rights**

Article 4 Union Security, and Article 5 Grievance Procedure applies to casual employees.

#### **29.06 Termination**

A casual employee may be terminated at any time and shall have no seniority rights.

#### **29.07 Employment during Layoff**

A casual employee will not be employed at any time that a permanent employee with seniority, whose ability is sufficient to perform the duties required for the position to be filled, is laid-off and available to perform the position.

#### **29.08 Reporting and Minimum Daily Pay not Applicable**

Article 9 Reporting Pay and Minimum Daily Pay will not apply.

### **ARTICLE 30 DURATION OF AGREEMENT**

The provisions of this Agreement shall be effective July 1, 2012 and shall remain in effect until midnight June 30, 2017 and thereafter from year to year, until either party shall give notice in writing to the other party of a desire to terminate, change, or modify the same, not less than sixty (60) days nor more than one hundred-twenty (120) days prior to the applicable expiration date.

In witness whereof each of the parties hereto has caused this agreement to be signed by its duly authorized representatives as to the date and year first above written.

**MEMORANDUM OF AGREEMENT**

between

CARDINAL RIVER OPERATIONS

and the

UNITED MINE WORKERS OF AMERICA

LOCAL 1656

Agreed this \_\_\_\_ day of \_\_\_\_\_

**For the Union**

**For the Company**

---

B. Bish  
President

---

Mark Brown  
General Manager

---

T. Snowden  
First Vice President

---

R. West  
Employee Relations Superintendent

---

F. MacKay  
Second Vice President

---

G. Campbell  
Employee Relations Manager

---

C. Race  
Recording Secretary

---

J. Balfour  
Processing Superintendent

---

D. Debrinski  
Financial Secretary

---

N. Hope  
Personnel Coordinator

## SCHEDULE 1 – 7X2 SCHEDULE

Shift schedule from which a "one", "two", or "three" shift system may be effective.

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Off	Off	S.T. A	S.T. A	S.T. A	S.T. A	P.R. A
P.R. A	S.T. A	Off	S.T. D	S.T. D	S.T. D	P.R. D
P.R. D	S.T. D	S.T. D	Off	Off	S.T. N	P.R. N
P.R. N	S.T. D	S.T. D	S.T. D	S.T. D	Off	Off

## SCHEDULE 2 – 4X4 SCHEDULE

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Off	Off	Off	Off	D	D	D
D	Off	Off	Off	Off	N	N
N	N	Off	Off	Off	Off	D
D	D	D	Off	Off	Off	Off

Off - Scheduled days off

D - Day shift

P.R. - Premium time

A - Afternoon shift

S.T. - Straight time

N - Night shift

## EXHIBIT A – STANDARD HOURLY RATES OF PAY

Job Class	Classification	Rate 7/1/12 3%	Rate 7/1/13 3%	Rate 7/1/14 4%	Rate 7/1/15 4%	Rate 7/1/16 4%
10	Journey Tradesperson A	37.19	38.31	39.84	41.44	43.09
9	Journey Tradesperson B Shovel Operator Control Room Operator Blaster	34.89	35.93	37.37	38.86	40.42
8	Senior Process Operator Equipment Operator IV Driller Crane Operator Pit Backhoe Operator	33.93	34.95	36.34	37.80	39.31
7.5	Equipment Operator III Process Utility	33.63	34.64	36.02	37.46	38.96
7	Equipment Operator II Process Operator III Serviceperson	33.35	34.35	35.73	37.16	38.64
6	Equipment Operator I Pit Utility	33.04	34.03	35.40	36.81	38.28
5	Pumperson Blaster's Helper Process Operator II	32.48	33.45	34.79	36.18	37.63
4		31.91	32.87	34.18	35.55	36.97
3	Washbay Attendant Tool Crib Attendant Process Operator I	31.61	32.56	33.86	35.22	36.62
2		30.88	31.81	33.08	34.40	35.78
1	Labourer	29.39	30.27	31.48	32.74	34.05

## APPRENTICE RATES

	Rate 7/1/12 3%	Rate 7/1/13 3%	Rate 7/1/14 4%	Rate 7/1/15 4%	Rate 7/1/16 4%
<b>FOUR YEAR PROGRAM:</b>					
1st Year (0 - 12 months)	30.53	31.45	32.70	34.01	35.37
2nd Year (13 - 24 months)	32.01	32.97	34.29	35.66	37.09
3rd Year (25 - 36 months)	32.69	33.67	35.02	36.42	37.88
4th Year (37 - 48 months)	34.08	35.11	36.51	37.97	39.49
<b>THREE YEAR PROGRAM:</b>					
1st Year (0 - 12 months)	30.53	31.45	32.70	34.01	35.37
2nd Year (13 - 24 months)	32.14	33.10	34.42	35.80	37.23
3rd Year (25 - 36 months)	34.08	35.11	36.51	37.97	39.49
<b>PARTSPERSON (THREE YEAR PROGRAM):</b>					
1st Year (0 - 12 months)	30.01	30.91	32.15	33.44	34.77
2nd Year (13 - 24 months)	31.05	31.99	33.27	34.60	35.98
3rd Year (25 - 36 months)	32.90	33.89	35.24	36.65	38.12

Upon successful completion a partsperson shall receive the Maintenance "B" rate.

Maintenance "B" - Other recognized trade tickets

## **EXHIBIT B – PLANT TRAINING SCHEDULE**

### **Purpose**

To establish a standard and systematic progressive training program, beginning at entry level and ending with qualified operators for bid positions.

### **(a) Procedure**

1. If a staffing shortage occurs due to individuals terminating or bidding out of the plant department, entry level positions for Process Operator I shall be posted in order that personnel outside the plant have the opportunity to enter the plant training program.
2. A Committee of Employer and Union representatives shall decide on type and format of examinations to be used as standard for promoting trainees.

**LETTER OF AGREEMENT 1 – CONTRACTOR RATES**

**between**

**CARDINAL RIVER OPERATIONS**

**and**

**UNITED MINE WORKERS OF AMERICA**

**LOCAL #1656**

Effective January 1, 1999 the rates paid to contractors under Article 2.03(a) (1) will be reduced by forty two cents per hour (\$0.42/hour) to coincide with the roll in of travel pay into the wage rates in Exhibit "A".

## **LETTER OF AGREEMENT 2 – CHEVIOT PROJECT**

**between**

**CARDINAL RIVER OPERATIONS**

**and**

**UNITED MINE WORKERS OF AMERICA**

**LOCAL #1656**

This will confirm that the Company and the Union will continue to work together to increase the overall effectiveness, efficiency, and viability of the Cheviot project. Both parties agree to work together to ensure the project is as cost effective and efficient as possible; to strive for continuous improvement in all aspects. Both parties agree to work together to solve all issues, including but not limited to safety, logistics, staffing, construction, and other concerns that may arise during the duration of this agreement.

Local 1656 and Cardinal River Operations Staff recognize that the longevity of their employment is vested in the profitability of the company and are committed to maintain and foster a safe, harmonious, and productive workplace.



## **LETTER OF AGREEMENT 3 – TRANSITION TO JOB GROUPING SYSTEM**

**between**

**CARDINAL RIVER OPERATIONS**

**and**

**UNITED MINE WORKERS OF AMERICA**

**LOCAL #1656**

### Transition to Job Grouping System

All pit employees, prior to the signing of this agreement, will be given preference as to whether they wish to retain their current job bids or progress through the equipment operator program as set out by Exhibit "A".

Notwithstanding the above, employees will be given, on a yearly basis, the opportunity to enter into the equipment operator program or take a position that they have been successfully trained for, based on seniority.

All current process plant employees prior to the signing of the Collective Bargaining Agreement will be grand fathered into positions that are equal to the current bid position under the former (2002-2007) Exhibit "A".

**LETTER OF AGREEMENT 4 – TRANSPORTATION AND HOTCHANGE**

**between**

**CARDINAL RIVER OPERATIONS**

**and**

**UNITED MINE WORKERS OF AMERICA**

**LOCAL #1656**

The Employer and The Union agree to meet to discuss employee transportation and hot change including implementation of alternate town and pit transportation methods, transportation directly to mine operations pits and sequencing of the hot change process.

## **MEMORANDUM OF AGREEMENT - PENSION**

**Between**

**Teck Coal Ltd., Cardinal River Operations**

**And**

**United Mine Workers of America, Local #1656**

### **Pension Enhancements**

In recognition of the pension changes during 2012 collective bargaining, the following enhancements will be made.

The Company shall make a lump sum contribution to the DC Plan on behalf of anyone who is an active permanent employee as of June 30, 2012.

For each calendar year of service back to the employee's date of hire, the lump sum amount shall be \$600 per year of service. The year of hire will be pro-rated based on \$50/month for full months worked.

Contributions must be deposited into each employee's account under the DC Plan to the extent permissible under pension legislation. If for any reason the amounts cannot be immediately deposited into the DC Plan (if, for example, the lump sum contribution would exceed the maximum contribution permissible under the Income Tax Act), the amounts will be deposited over a longer period of time (such as two or three years). If the lump sum amount cannot be immediately deposited to the DC Plan, the employer will increase the amount of the lump sum contribution to reflect the crediting of interest between June 30, 2012 and the date of remittance to the DC Plan to reflect interest at an annualized rate of 3%. If it is impossible to contribute all contemplated amounts to the DC Plan prior to January 2, 2014, then any amounts not yet contributed to the DC Plan will be contributed to the employee's Group RRSP or paid to the employee in cash if the employee does not have sufficient RRSP contribution room. Amounts deposited into the Group RRSP on behalf of an employee will remain in the Pension Plan while the individual is employed by the Company. The Company and Union will work together to minimize any adverse tax consequences to employees.

**Employees currently age 62 or older**

If permissible under the Alberta Employment Pension Plans Act, any employees age 62 or older as of June 30, 2012 will be entitled to remit their lump sum contributions as described above to their Group RRSP, instead of the DC Plan, to the maximum value equal to what they would have received under the previous severance allowance as of June 30, 2012.

**Employees retiring in the next five years at the age of 62 or older**

Any employees retiring during the term of this collective agreement, July 1, 2012 to June 30, 2017, that are age 62 or older at the time of his or her retirement will receive no less than what he or she would have been entitled to under the previous severance allowance taking into account service and wage rate at the time of retirement. Should all lump sum contributions remitted to the DC Plan, as described above, be less than the severance allowance, a further cash payment upon retirement equal to the difference will be remitted to the employee's Group RRSP, or paid to the employee as a cash lump sum if the employee does not have sufficient RRSP contribution room.

The above pension enhancements are made in recognition of the changes made in collective bargaining including the deletion of articles 7.07 and 26.01 (e).

Attached is a table showing the contribution amounts based on date of hire. This table is an estimate only as top up calculations in the year of hire will need to be pro-rated for each employee based on actual date of hire.

Agreed this 26<sup>th</sup> day of June, 2012.

**UMWA, Local 1656**

**Teck Coal Ltd., Cardinal River Operations**

Brent Bish

Mark Brown

**Teck Coal Limited  
Cardinal River Operations  
Lump Sum Contribution**

Year of Hire	Actual	Employees		Total	
	Years of Service	Contribution in Year	Hired in Year	Years Service per Year Hired	Lump Sum Contribution
1973	39	-	1	39	\$23,400.00
1974	38	-	4	152	\$22,800.00
1975	37	-	9	333	\$22,200.00
1976	36	-	8	288	\$21,600.00
1977	35	\$1,000	10	350	\$21,000.00
1978	34	\$1,000	12	408	\$20,400.00
1979	33	\$1,000	18	594	\$19,800.00
1980	32	\$1,000	2	64	\$19,200.00
1981	31	\$1,100	3	93	\$18,600.00
1982	30	\$1,100	2	60	\$18,000.00
1983	29	\$1,200	1	29	\$17,400.00
1984	28	\$1,200	1	28	\$16,800.00
1985	27	\$1,200	0	0	\$16,200.00
1986	26	\$1,200	0	0	\$15,600.00
1987	25	\$1,200	0	0	\$15,000.00
1988	24	\$1,733	3	72	\$14,400.00
1989	23	\$2,000	10	230	\$13,800.00
1990	22	\$2,250	6	132	\$13,200.00
1991	21	\$2,500	4	84	\$12,600.00
1992	20	\$2,625	4	80	\$12,000.00
1993	19	\$3,000	4	76	\$11,400.00
1994	18	\$3,000	0	0	\$10,800.00
1995	17	\$3,000	0	0	\$10,200.00
1996	16	\$3,000	0	0	\$9,600.00
1997	15	\$3,000	1	15	\$9,000.00
1998	14	\$3,793	0	0	\$8,400.00
1999	13	\$3,793	0	0	\$7,800.00
2000	12	\$3,793	2	24	\$7,200.00
2001	11	\$3,793	5	55	\$6,600.00
2002	10	\$3,793	0	0	\$6,000.00
2003	9	\$3,793	0	0	\$5,400.00
2004	8	\$3,793	9	72	\$4,800.00
2005	7	\$3,793	41	287	\$4,200.00
2006	6	\$3,793	10	60	\$3,600.00
2007	5	\$4,700	16	80	\$3,000.00
2008	4	\$4,700	31	124	\$2,400.00
2009	3	\$4,700	17	51	\$1,800.00
2010	2	\$4,700	48	96	\$1,200.00
2011	1	\$4,700	64	64	\$600.00
2012	0	\$4,700	22	0	(\$ are pro-rated)
			368	4040	\$2,424,000.00
				\$600.00	

Note: These are estimates only.