

# **COLLECTIVE AGREEMENT**

between

**ALGOMA TUBES INC.**

(hereinafter referred to as the "Company")

and

**THE UNITED STEEL, PAPER AND FORESTRY,  
RUBBER, MANUFACTURING, ENERGY, ALLIED  
INDUSTRIAL AND SERVICE WORKERS  
INTERNATIONAL UNION (UNITED STEEL  
WORKERS)**

**ON BEHALF OF ITSELF AND ITS LOCAL 9548**

(hereinafter referred to as the "Union")

June 1st, 2006

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**- PART I -**

**OBJECTIVES**

The parties recognize that it is a fundamental aim of this Agreement to establish guidelines for working conditions in order to achieve the highest level of productivity, quality, and efficiency while at the same time achieving the greatest welfare of the employees.

The parties agree that within an increasingly competitive marketplace it is essential to adopt mechanisms which allow immediate adaptability to change, continuous improvement processes, new work and production techniques that result in worker's functional adaptability and multiskilling so as to achieve both maximum levels of productivity and the personal and professional development of employees.

The parties acknowledge that the employees' welfare will be achieved through the growth and success of the Company within a framework of positive labour relations achieved through avoidance of conflict.

The parties recognize the need to establish an autonomous, specific and conventional regulatory framework to apply to both labour relations and working conditions.

In order to achieve these objectives both parties recognize the need to:

- Train workers in safety practices;
- Maintain a safe workplace;
- Foster dialogue and negotiation as the basis for resolving conflicts;
- Highlight the need to reach agreement through consensus rather than confrontation;
- Achieve functional adaptability, multi-functionality, and effective team work for employees;
- Maintain a profitable business operation;
- Strive to maintain and improve quality, efficiency and productivity;
- Preserve the continuity of operations, both within shifts and in the course of shift changes, in such a way that individual tasks and the production process itself are not interrupted.
- Comply with both rules established by the Company and current labour legislation.

## **PROBLEM SOLVING AND COST SAVINGS**

The Company intends to design a participation program in order to generate ideas which will lead to a reduction in both waste and operating costs, better utilization of equipment, and increased product quality.

The focus of such program will be on:

- (a) material and equipment usage; and
- (b) production problems and efficiencies.

The program will:

- Aim at listening to the concerns and problems of employees related to the above matters;
- Provide a mechanism which allows employees to express their opinions to help solve problems;
- Provide opportunities for involvement of all employees wishing to participate; and
- Ensure that all ideas submitted are seriously considered.

The program will include a clear set of criteria, which will be used to prioritize input and determine which ideas are to be implemented.

## **TRAINING**

The parties recognize the importance of maintaining programs aimed at developing the capabilities and skills of personnel. The Company will promote such training within the general framework of the labour categories described in Article 12 of this Agreement and, where applicable, will provide for the development and administration of apprenticeship programmes. The general framework of the labour categories envisages training standards consistent with the global business needs and standards of the Company.

## **SELF DIRECTED WORK GROUPS**

Self Directed Work Groups are defined as groups of employees who:

- Work together on a day-to-day basis;
- Are jointly responsible for completion of various tasks or operations;
- Operate under significantly less supervision;
- Work together with a view to attaining shared objectives;
- Are committed to their work;

- Are creative in taking advantage of all available resources;
- Are committed to continuous training in the workers own work and the work of the other members of the team;
- Support both the Company and the other members of the team;
- Strive for improvements in efficiency and work quality;
- Are multi-skilled so that workers and teams can be assigned to different functions and tasks to attain greater productivity;
- Are available when called in emergencies or other circumstances for unforeseen needs;
- Are dedicated to developing a system of continuous improvement.

## **PRODUCTION SYSTEM**

The Company's production system is special and different from others in that it adopts a production-centred philosophy. It is based on respect and dignity towards and among team members. It makes effective use of time and the development of information systems which keep employees informed on the production process.

The system of continuous improvement seeks to eliminate production deficiencies and to optimize team member skills both when a team is formed and when a worker is promoted to a higher category or position.

## **WORKERS IN MULTI-SKILLED CONDITIONS**

Within the scope of the above production system, employees should be capable of performing several tasks.

Employees in multi-skilled circumstances will work autonomously and effectively within the labour force.

## **TEAM LEADER IN MULTI-SKILLED CONDITIONS**

The Team Leader will be acquainted with all of the team tasks in order to perform them himself and to help other team members. He will be qualified to train workers on each function and task of the team. He will co-ordinate the work-teams in which he participates and will replace absent workers if necessary. He is empowered to lead, guide and co-ordinate the procedures, processes and quality of work performed by his own team as well as third party contractors, upon the specific needs.

## **ACTIVITY ALLOCATION**

The Company will allocate the specific activities to be performed by each worker. It will also transfer workers to other areas or departments or to allocate other tasks to them in order to achieve efficiency and optimize production.

## **FUNCTIONAL MULTI-SKILLING**

Workers' tasks, functions, and categories in self-directed work groups require complete flexibility. Employees are expected and required to perform all tasks, functions or activities determined in accordance with their skills.

## **INTERPRETATION**

These objectives reflect the spirit of the collective agreement. However, they do not override the terms of the said agreement, and will not be used in disciplining of individual employees.

**-O-**

**- PART II-**

**Article 1**

**RECOGNITION**

1.1

- (a) The Company recognizes the Union as the bargaining agent for all employees of the Company at Sault Ste. Marie, save and except coordinators, persons above the rank of coordinators, plant protection personnel; production clerks, office staff, draftsmen, administrative staff, sales staff, engineers, persons engaged in a confidential capacity.
- (b) The Company will not contract out work normally performed by employees in the bargaining unit when available bargaining unit employees with the necessary skills are on layoff, or continue to be laid off. In the event that the Company contracts out bargaining work, the Company will inform the Union.
- (c) Supervisors, coordinators, and managers will be permitted to perform bargaining unit work in cases of emergency, testing, experimentation, commissioning and training.
- (d) This agreement contains the full understanding of the parties respecting all matters relating to labour relations. Without limiting the generality of the foregoing the parties agree as follows:
  - (i) The Company is not a successor of Algoma Steel Inc. or any other company within the meaning of the *Labour Relations Act*, the *Employment Standards Act* or otherwise;
  - (ii) All members of the bargaining unit are new employees and their seniority for all purposes will commence with the date of hire by this Company.
  - (iii) .None of the practices, procedures, rules, regulations, entitlements, undertakings, benefits or arrangements, either express or implied that were available to the Union or employees at Algoma Steel Inc. shall be binding upon the Company.
  - (iv) The parties acknowledge that the transaction between the Company and Algoma Steel Inc., with respect to the lease and/or the sale of the Seamless Pipe Mill Facilities will not, under any circumstances, constitute a "Sale of Business" within the meaning of the *Labour Relations Act*, the *Employment Standards Act* or otherwise.



## Article 2

### MANAGEMENT RIGHTS

2.1 The Union recognizes that the management of the plant, the direction of the working forces are fixed exclusively in the Company and that the Company has the right to:

- (a) Manage and operate its business in all respects; direct, plan, and control plant operations; determine the products to be manufactured, the type and locations of equipment and materials to be used, the manufacturing process, product engineering and design, the control of materials and parts, the introduction of new facilities, the control systems with a view to protect the Company's assets; financially and technically organize the Company in all respects;
- (b) Determine the schedules of work, the methods and techniques to be used, establish the form and scope of duties to be performed, make job assignments; contract and subcontract jobs, work or services from third parties.
- (c) Maintain order, discipline employees for just cause, hire, assign, direct, promote, demote, discharge, classify, transfer, lay-off and recall employees.

### Article 3

#### PROBLEM RESOLUTION AND GRIEVANCE PROCEDURE

3.1 It is the mutual desire of the parties hereto that any complaint or cause for dissatisfaction arising between an employee and the Company with respect to the application, interpretation or alleged violation of this Agreement, shall be resolved as quickly as possible.

3.2 "Grievance" as used in this Agreement means a complaint or request involving any matter related to working conditions, including any question of interpretation or application of, or compliance with, the provisions of this Agreement and shall only relate to or concern any grievance which has arisen or arises subsequent to the date of this Agreement.

#### 3.3 **Step One**

If an employee believes that he has a grievance or complaint, it shall first be discussed by the employee and his immediate supervisor or another appropriate management representative in an attempt to settle the matter. This discussion must be held within twenty-one (21) scheduled working days of the event or condition related to the grievance or complaint.

Within seven (7) calendar days the supervisor shall give the employee an answer.

The parties wish to ensure that all employees' complaints are dealt with in a reasonable way and all meetings are held at a time to be mutually agreed upon within the time limits provided.

#### 3.4 **Step Two**

If the matter is not resolved to the satisfaction of the employee as a result of such discussion, the Union may within seven (7) calendar days, deliver a written grievance to the specific production area manager. Such grievance shall name the employee involved, shall state the facts giving rise to the grievance, shall identify the alleged contract violations with appropriate references, shall state the contention of the employee with respect to these provisions, and shall indicate the relief requested. The grievance must be signed by the employee. The specific production manager or his designate shall within fourteen (14) calendar days hold a meeting with the employee, the steward, and a representative from Human Resources in an attempt to settle the matter. The specific production area manager shall then within a further seven (7) calendar days give his response to the Union in writing.

A written grievance to be processed to the next step shall state the reasons why the previous reply was unsatisfactory and shall be signed by the steward and a member of the grievance committee.

### **Step Three**

If the grievance is not settled within seven (7) calendar days or a longer period of time agreed by the parties and the Union wishes to pursue the matter, the grievance must be submitted in writing to the Human Resources Manager and Operations Manager who shall within fourteen (14) calendar days hold a meeting with two grievance committee representatives, and shall give a written response within ten (10) calendar days from the date of the meeting. At this meeting, a Regional Representative of the Union may be present.

### **Step Four**

If the grievance is not settled within the aforesaid time frame it may be referred to arbitration within thirty (30) calendar days.

- 3.5 The time limits set out in this article may be extended by mutual agreement of the parties in writing and will not be unreasonably withheld.
- 3.6 The Union or the Company shall have the right to initiate a policy or grievance of a general nature which need not be signed by any affected employees, but must be signed by two members of the Bargaining Unit Executive Committee.
- 3.7 A question of a general nature between the Company and the Union as to the meaning or application of the provisions of this agreement may be treated as a policy grievance and submitted in writing at Step 3 of the grievance procedure within thirty (30) calendar days after the occurrence of the fact or event upon which such question is based.
- 3.8 The parties agree to use a sole arbitrator with respect to the disposition of grievances at arbitration. In the event that the parties are unable to mutually agree upon the appointment of an arbitrator either party shall be at liberty to make application to the Office of Arbitration for the appointment of an arbitrator.
- 3.9 The Company and the Union shall make every effort to resolve disputes and conflicts in a peaceful way without arbitration, according to the grievance procedure described in this Agreement.

**3.10 Arbitration**

Where a difference arises between the parties as regards to the interpretation, application or administration of this Agreement, including any question as to whether a matter is arbitrable, or when an allegation is made that this Agreement has been violated, either of the parties may, after exhausting the grievance procedure established by this Agreement, notify the other party in writing of its desire to submit the difference or allegation to arbitration.

The parties will come to an agreement on an arbitrator within thirty (30) calendar days.

The arbitrator shall hear and determine the difference or allegation and shall issue a decision. The decision shall be final and binding upon the parties and upon any employee affected by it.

**3.11** Hearings of the arbitration proceeding will be held alternately on Company and Union premises or at other locations by mutual agreement.

**3.12** The Arbitrator shall not alter, modify or amend any part of this Agreement, or make any decision inconsistent with its provisions.

**3.13** The expenses of the Arbitrator shall be borne equally by the Company and the Union.

**3.14 Grievance Committee**

The Union shall form a grievance committee to represent the Union in processing grievances and shall give the Company written notice of the members of the committee and its chairman.

A Union steward may be absent from his place of work for reasonable periods of time necessary to deal with problems of grievances subject to requesting and receiving permission from his coordinator. Such permission shall not be unreasonably withheld. It is the intent of the Company, when possible, to hold meetings which require the attendance of the steward during his normal working hours.

#### Article 4

#### DISCHARGE AND DISCIPLINE

- 4.1** Discipline must be issued within twenty-one (21) calendar days of the Company's knowledge of the circumstances giving rise to the discipline. The timeline may be extended with an agreement in writing between the Union and the Company. A copy of the disciplinary notice will be given to the employee's steward and the employee will acknowledge receipt of such notice by signing for it.
- 4.2** A claim by an employee who has completed his probationary period that he has been discharged shall be treated as a grievance if a written statement of such grievance is lodged with the Company at Step 3 of the grievance procedure within seven (7) calendar days after the date of discharge is effected.
- 4.3** Where an employee maintains a discipline free record for a period of twenty-four (24) months, all records of discipline (save and except for further similar or serious misconduct, a breach of the Ontario Human Rights Code or the Occupational Health and Safety Act -drugs and alcohol-) will not be relied upon in future discipline.

## Article 5

### NO INTERRUPTION OF WORK

- 5.1 In view of the orderly procedure established by this Agreement for the settling of disputes and the handling of grievances, the Union agrees that, during the lifetime of this Agreement, there will be no strike, slowdown, sitdown, interruption, stoppage or any other interference with the quality and quantity of work or production, either complete or partial, and the Company agrees that there will be no lockout of employees.
- 5.2 The Company shall have the right to discharge or otherwise discipline employees who take part in or instigate any of the conduct described in Article 5.1.
- 5.3 In the event of an illegal strike or any other irregular action which stops or reduces the usual level of work activity, the Union, through its recognized officers, agrees to repudiate any such action and to inform the employees that any such action is illegal and not binding on the members of the Union, and take reasonable steps to assist in preventing the continuation of such stoppage or reduction of work level.

## Article 6

### UNION REPRESENTATION

- 6.1 The Company acknowledges the right of the Union to appoint or otherwise select Union Stewards up to a maximum of 5% of the employees of the Bargaining Unit with a minimum of eight (8) Union Stewards, for the purpose of representing employees in the handling of complaints and grievances. It is understood that for specific issues the Company will normally recognize the steward whom the Union has designated for that area. The Union also recognizes however that such persons have regular duties to perform on behalf of the Company and that they will not leave their regular duties without first obtaining permission from their direct work supervisor, which permission shall not be arbitrarily withheld.
- 6.2 The Company agrees to recognize and deal with a Bargaining Unit Executive Committee of not more than five (5) employees. The Bargaining Unit Executive Committee is recognized as the negotiating committee for the purpose of collective bargaining. The Company further agrees to recognize and deal with five (5) employees of the Grievance Committee. The Bargaining Unit Executive will be invited to attend meetings related to Article 28 - Labour Management Liaison.
- 6.3 The Union agrees to notify the Company of the appointment of officers and stewards and the terms of such appointments in writing.

Article 7

BULLETIN BOARD

- 7.1 The Company agrees to provide four (4) Bulletin Boards on the premises for the purpose of posting Union notices and official information providing that such notices and information shall not be posted until first approved by the Company. The location of the Boards will have to be agreed with the Company, and the Union will maintain the Boards in good order. Notices will be signed and posted only by the officers of the Union and will be in keeping with the spirit and intent of this Agreement.



## Article 8

### UNION SECURITY

- 8.1 The Company shall deduct, as a condition of employment, from the wages of each employee in the bargaining unit, Union dues including, where applicable, initiation fees and assessments, on a monthly basis, from the wages of each employee covered by this agreement. The amount of dues shall be calculated with the Union's Constitution.
- 8.2 All dues, initiation fees and assessments shall be remitted to the Union forthwith and in any event no later than fifteen (15) days following the last day of the month in which the remittance was deducted. The remittance shall be sent to the International Secretary Treasure of the International Steelworkers, AFL-CIO-CLC, P.O. Box 13083 Postal Station "A", Toronto, Ontario M5W 1V7 in such form as shall be directed by the Union to the Company along with a completed Dues Remittance Form R-115 will also be sent to the Union office at 68 Dennis Street, Sault Ste. Marie, Ontario P6A 2W9.
- 8.3 The remittance and the R-115 form shall be accompanied by a statement containing the following information:
- a. A list of names of all employees from whom dues were deducted and the amount of dues deducted;
  - b. A list of all bargaining unit employees from whom no deductions have been made and reasons;
  - c. This information shall be sent to both Union addresses identified in Article 8.2 in such form as shall be directed by the Union to the Company.
- 8.4 The Union shall indemnify and save the Company harmless against all claims or other forms of liability that may arise out of any actions taken by the Company in compliance with this article.
- 8.5 The Company, when preparing T-4 slips for the employees, will enter the amount of Union dues paid by the employee during the previous year.

**Article 9**

**UNION ACTIVITY**

- 9.1 Union activities shall be conducted outside of working hours.
- 9.2 The conduct of Union business is not permitted on Company property except as authorized in writing by the Plant Management or as expressly provided in this Agreement
- 9.3 No Union activity shall take place in such manner or at such time as may interfere with or distract or disturb the normal production process.
- 9.4 The Union shall not distribute or cause to be distributed any handbills, pamphlets, publications or other material on Company premises except as permitted by the Company.

**Article 10**

**NO DISCRIMINATION**

- 10.1** No employee shall be discriminated against by the Company or the Union on the grounds of membership in the Union or on account of participation in Union activities or on the grounds of discrimination as defined by the Ontario Human Rights Code or because he has exercised any right under this Agreement.
- 10.2** Any complaint will be referred to the Human Resources Department to be dealt with in accordance with the Workplace Harassment Policy. The employee who alleges discrimination, personal or sexual harassment may contact a Human Resources Department representative who will:
- (a) investigate this matter; and
  - (b) maintain a strict degree of confidentiality with the employee concerned;  
and
  - (c) take appropriate action to resolve the problem.
- 10.3** The Union shall be involved or informed at any stage of this process unless the complainant wishes otherwise.

## Article 11

### SENIORITY

- 11.1** The Company will use seniority, skills and abilities in making decisions about lay off, vacations and promotions in accordance with the related articles of this Agreement.
- 11.2** Seniority refers to the relative ranking of the employees as determined by the length of accumulated service with the Company. Employees will acquire seniority after a probationary period. Upon completion of the probationary period, the employee's seniority shall be established as of the date of original hire.
- 11.3** Where two or more employees have the same seniority date the employee with the lowest employee number assigned by the Company shall be considered to have the greatest seniority.
- 11.4** The Company shall post a seniority list on March 1 of each year on the bulletin board showing the service with the Company of each employee and provide a copy to the Union. Employees shall have twenty-one (21) calendar days from the date of posting in which to file a written complaint against errors or omissions concerning such list.
- 11.5** Employment and seniority shall be terminated when an employee:
- (a)** resigns;
  - (b)** is discharged;
  - (c)** is laid off for a period longer than:
    - (i)** six (6) months for employees with less than one (1) year of service;
    - (ii)** twelve (12) months for employees with one (1) year but less than two (2) years of service;
    - (iii)** twenty-four (24) months for employees with more than two (2) years of service.
  - (d)** is absent for more than four (4) consecutive working days without reasonable excuse
  - (e)** fails to return to work at the termination of an authorized leave of absence, except with the written consent of the Company;

- (f) fails to report for work within ten (10) working days after being instructed to report.

## Article 12

### GENERAL FRAMEWORK- LABOUR CATEGORIES

**12.1** Labour categories are determined by the accumulation of experience and knowledge in the activities the employee has performed. Each category presupposes certain knowledge and aptitude for carrying out different activities and tasks.

Each category involves the aptitude to carry out more than one activity, and each activity in turn involves the aptitude to carry out one or more tasks. There are basic and specific performance tasks. The basic tasks apply to different categories. The specific tasks are typical of each category. The progress and compensation within each category will be subject to passing the tests established by the Company for each activity and to working a requisite number of hours in each activity. Once employees have passed the above mentioned tests and have worked the requisite number of hours for each activity, they will be entitled to additional compensation as set out in this Agreement.

### **12.2 CATEGORIES**

The categories are as follows:

#### **CATEGORY A: SPECIALIZED OPERATOR**

#### **CATEGORY B: OPERATOR**

#### **CATEGORY C: SUPPORTER**

#### **A) SPECIALIZED OPERATOR**

There are three types of Specialized Operator: **a)** Specialized Mechanical Operator; **b)** Specialized Electrical Operator; **c)** Process Controller.

**(a) Specialized Mechanical Operator:** This position comprises employees who have accumulated knowledge and experience of how to correctly carry out advanced mechanical tasks.

**(b) Specialized Electrical Operator:** This position comprises employees who have accumulated knowledge and experience of how to correctly carry out advanced tasks related to electricity.

**(c) Process Controller:** This position comprises employees who have accumulated knowledge and experience of how to correctly control the different product physical changes, the technology and the control systems.

**B) OPERATOR**

There are three types of Operator: **a)** Production Operator, **b)** Mechanical Operator, **c)** Electrical Operator.

- a) Production Operator:** it comprises employees who have accumulated knowledge and experience of how to correctly operate machines which do not involve significant physical transformation processes.
- b) Mechanical Operator:** it comprises employees who have a defined accumulated knowledge and experience of how to correctly perform mechanical tasks.
- c) Electrical Operator:** it comprises employees who have a defined accumulated knowledge and experience of how to correctly perform electrical tasks.

**C) SUPPORTER**

This position comprises employees who carry out any task, including simple manual tasks which do not require prior significant learning.

**12.3 TEAM LEADER**

In each of the categories described above, a Team Leader, besides knowing all of the specialization and orientation of their category, must have proved certifiable, technical expertise and aptitude, show leadership capabilities in management, coordination, training and work team skills. On the basis of the aforesaid attributes, a person can be promoted to a higher position within the same category and shall be known as Team Leader. The Team Leader will have the necessary knowledge and responsibility for the product, equipment, processes and their quality, Health and Safety Practices, verification of the availability of the necessary inputs and tools, and deviation and follow-up analysis. The Company will select Team Leaders in accordance with Article 14.2 (c). The Team Leader will have authority to direct workers both inside and outside of the bargaining unit.

**12.4**

Schedule E sets out the specific jobs which are generally associated with each of the categories. This list is based on the level of complexity of the jobs and corresponding learning requirements. Once per year not later than September the Company will review and update this Schedule. Modification in the Schedule may be made if there has been change in work procedures and/or technical improvements, or if new activities have been developed.

Wage rates are determined by category and specialty of the employee and it is recognized that as a normal part of the operation of the tube mill, employees will routinely be assigned and scheduled to work on activities which are outside of their payment category, but this will not affect their rate of pay.

The Company will track all hours and notify employees when they have achieved the required hours to write their category or next specialty tests.

The Employee is to notify the company in writing on the appropriate form of his intent to take the test(s) for the above. A copy of this form will be supplied to the employee.



**Article 13**

**PROBATION**

- 13.1** All employees shall be regarded as probationary employees for the first six months of cumulative and active employment. During probation such employees may be dismissed without cause or notice subject to the payment provisions of the *Employment Standards Act*.
- 13.2** During the probation period the Company will evaluate performance and tests as it shall determine in order to assess the suitability of the probationary employee for full time employment.
- 13.3** In those cases where the Company, at the end of the probationary period, is in doubt as to the suitability of the employee for full time employment, the probationary period may be extended by an additional three months based on mutual agreement of the Company and the Union.

## Article 14

### PROMOTION

**14.1** Workplace training and promotion opportunities will be posted in advance (i.e., retirement, termination or increase in the number of jobs), except in situations where short term or training replacements are necessary. Interest on the part of the employee, seniority, skills and abilities are the factors to be used when making decisions on job assignments. For the purposes of this paragraph vacancies of sixty (60) calendar days or less will be considered short term and the Company will inform the Union of such vacancies after the first fourteen (14) calendar days. The vacancy will be identified on the schedule.. The sixty (60) calendar days may be extended by mutual agreement of the parties and will not be unreasonably withheld.

**14.2** The following principles regulate promotions and training opportunities:

Progression to a higher category will be subject to achieving enough previous experience in activities of a higher category before they can be promoted to the next higher category (as outlined in Schedule "A"), the existence of a job vacancy in that category, seniority, skills and abilities and passing the corresponding test.

In case of promotions or training, opportunities will be available as follows:

**(a) Supporter**

All employees are eligible to advance to the highest skill levels (three specialties) within the Supporter category provided that they successfully complete the previous skill level and demonstrate ability to adequately perform the skill required. In the event that available training opportunities are limited, the most senior employee shall have first opportunity.

Progression from Supporter to Operator shall be on the basis of seniority and will require the existence of a job vacancy in the Operator category.

**(b) Operator**

All employees are eligible to progress to the highest skill levels (three specialties) within the Operator category provided that they successfully complete the previous skill level and demonstrate the ability to adequately perform the skill required. In the event that training opportunities are limited, the most senior employee shall have first opportunity.

Progression and training from Operator to Specialized Operator will require the existence of a vacancy in the Specialized Operator category and shall be on the basis of seniority, skills and abilities.

Progression and training from Supporter to Specialized Operator shall be on the basis of seniority, skills and abilities. However, prior to promoting and training an employee in the Supporter category directly to Specialized Operator, the Company will ensure that there is no employee in the Operator category with greater seniority who possesses the required skills.

**(c) Team Leaders**

Progression from Supporter, Operator or Specialized Operator to Team Leader will be based upon the Company's decision considering but not limited to the following guidelines:

1. Team leader vacancies will be posted to determine interest.
2. Candidates will be interviewed and selected based on proven technical expertise and aptitude, leadership capabilities in management, coordination, training and work team skills.
3. It is recognized and understood that team leaders will undergo a three (3) month probationary period. Payment will be made to the selected employee from the first day of the team leader probationary period.

**(d)** In all cases the employee has to meet the requirements and pass the tests determined for each training category.

**Article 15**

**REPLACEMENT COVERAGE AND OPERATIONS**

- 15.1** Qualified workers and team leaders may replace absent employees in order to ensure that the production process is not adversely affected or interrupted, keeping in consideration equitable opportunity for overtime.
- 15.2** In the event of production problems, employees may be required to remain at their work-site until the operational difficulties have been resolved.

## Article 16

### HOURS OF WORK, OVERTIME, LUNCH BREAK

**16.1** The work week shall be a period of five days per week and two scheduled days off the work week begins at 12:01 a.m. Sunday or the first starting shift of Sunday. The work day is eight (8) hours or ten (10) hours or twelve (12) hours during a period of twenty four (24) hours beginning at 12:01 a.m. or the first shift starting thereafter.

Where an operation is scheduled for more than one shift daily, every effort shall be made to permit an equitable weekly rotations of shifts. Where fixed days off are available on a schedule they will be shared equitably. Where shifts crews are established they shall be aligned to provide equal opportunity for promotion across the shifts.

Where there is a vacancy, and no more than once per year, the most senior qualified employee shall have first option to select his preferred rotating shift or steady day shifts or eight (8), ten (10) or twelve (12) hour shifts.

#### **Shift Schedules**

**16.2** The basic shift pattern will be comprised of work shifts constituting between eight (8), ten (10) and twelve (12) hours. In general terms, the average work week will be forty (40) hours. The Company may change the shift pattern in accordance with its operational needs resulting from, but not limited to, market changes, production needs and quality problems.

**16.3** Hours of work for an eight (8) hour shift operation in a period of twenty-four (24) hours shall be: first shift - 10 p.m. to 6 a.m. or 11 p.m. to 7 a.m. or 12 a.m. to 8 a.m.; second shift - 6 a.m. to 2 p.m. or 7 a.m. to 3 p.m. or 8 a.m. to 4 p.m.; third shift - 2 p.m. to 10 p.m. or 3 p.m. to 11 p.m. or 4 p.m. to 12 a.m.

**16.4** Ten (10) hour shift schedules shall commence at 6 a.m., or 6:30 a.m., or 7 a.m., or 8 a.m., and for the second shift at 4 p.m., or 4:30 p.m., or 5 p.m., or 6 p.m.

**16.5** Twelve (12) hour shift schedules shall commence at 6 p.m., or 6:30 p.m., or 7 p.m., and for the second shift at 6 a.m., or 6:30 a.m., or 7 a.m..

**16.6** In all cases where change is necessary the Company will give one month notice of changes in the shift schedule, unless otherwise agreed to by both parties.

- 16.7 The work schedules shall be published in advance for the employees' benefit, and prior notice about the changes shall be provided as soon as it is reasonably possible under the circumstances, normally by Thursday of the preceding week.
- 16.8 Employees shall start working at the starting time at the work-site specified by the Company and shall continue to work until their quitting time in such a way that jobs or the production process are not interrupted.
- 16.9 An employee who works more than two (2) consecutive hours overtime immediately after having worked a regularly scheduled shift, will be provided a fifteen (15) minute break at the end of the two (2) hour period prior to the commencement of further work.
- 16.10 Shift schedules will not combine more than one 8 hour shift with 12 hours shift for the same employee, except where mutually agreed by the parties.

#### **Breaks**

- 16.11 The Company will arrange all rest periods and lunch breaks in order to ensure continuous operation.
- 16.12 For eight (8) hour shifts all employees shall receive a ten (10) minute rest period approximately three (3) hours after the start of the shift. The lunch period shall be twenty (20) minutes long, more or less half way through the shift and shall be paid. It is recognized that the break and the lunch period will not occur at the same time for all employees.
- 16.13 For twelve (12) hour shifts all employees shall receive three (3) separate (20) minute paid lunch breaks.

#### **Overtime**

- 16.14 For eight (8) hour shift schedules overtime premiums shall be paid on all time worked in excess of forty (40) hours per week, or in excess of any regularly scheduled shifts, or on an employee's regular scheduled day off, or hours in excess of eight (8) hours in any sixteen (16) hour period, or more than one scheduled shift per day.
- 16.15 For twelve (12) hour shift schedules overtime shall be paid on all time worked in excess of an average of forty (40) hours per week over a two (2) week representative period, or in excess of any regularly scheduled shifts, or on an employee's regular scheduled day off. When in a two (2) week representative period there is a combination of different schedules overtime shall be paid on all time worked in excess of an average of forty (40) hours per week over that period.

- 16.16** Overtime work shall be compensated at the rate of time and one-half of the standard hourly wage plus the premiums for specialization as defined in Schedule A. Statutory holidays will be considered as hours worked for the purpose of Article 16.14 and 16.15.
- 16.17** Overtime work as far as possible will be distributed to employees in an equitable basis among those qualified.
- 16.18** The Company may require employees to work overtime before or after regular working hours or on holidays. However, there will be no compulsory overtime when qualified employees are willing to work. In the event there are insufficient volunteers the qualified junior employees will be scheduled to work.
- 16.19** The Company shall make every effort to provide reasonable notice to employees required to work overtime and whenever possible employees shall be notified at least four (4) hours prior to the end of his last scheduled shift.
- 16.20** An employee who works more than two (2) consecutive hours overtime immediately after having worked a regularly scheduled shift, will be provided a fifteen (15) minutes break at the end of the two (2) hour period prior to the commencement of further work.
- 16.21** There shall be no doubling-up or pyramiding of overtime rates.

## Article 17

### LAY-OFF AND RE-CALL

- 17.1** The parties agree to the general principle that, providing the employee has the ability to perform the work, job security shall increase in proportion to length of service.
- 17.2** The Company may lay-off employees for business reasons. The Company determines which job categories and skill levels within job categories are required for its operations, and the number of employees required for each job category and skill level.
- 17.3** The Company will lay-off by seniority, skills and abilities in the following order:
- A-** Supporters that have no specialization approved.
  - B-** Supporters with one (1) level of specialization.
  - C-** Supporters with two (2) levels of specialization.
  - D-** Supporters with three (3) levels of specialization
  - E-** Supporter - Team Leader.
  - F-** Operator that have no specialization approved.
  - G-** Operator with one (1) level of specialization.
  - H-** Operators with two (2) levels of specialization.
  - I-** Operators with three (3) levels of specialization.
  - J-** Operator - Team Leader.
  - K-** Specialized Operators that have no specialization approved.
  - L-** Specialized Operator with one (1) level of specialization.
  - M-** Specialized Operator with two (2) levels of specialization.
  - N-** Specialized Operator with three (3) levels of specialization.
  - O-** Specialized Operator - Team Leader.



Within each of the above categories, the order of lay-off will be based on seniority commencing at "A" through to "O", and progressing through to the following categories or degrees of specialization.

- 17.6** Employees will be re-called by seniority, skills and abilities in reverse order of lay-off.
  
- 17.7** When the Company lays-off employees for a period in excess of thirty five (35) weeks in a period of fifty two (52) consecutive weeks, the Company may discuss with the Union the extension of the length of the lay-off period.

## Article 18

### PAID VACATIONS

**18.1** The Company may schedule a vacation shutdown during the summer of each year. In the event that a shutdown is not scheduled or where employees are entitled to vacation in excess of a scheduled shutdown, operational requirements shall govern vacation schedules. Preference shall be given to employees by seniority where requested vacation periods conflict. All employees who have vacation entitlement will be scheduled for vacation during the shutdown period save and except those employees who are scheduled to work. The Company will accommodate by seniority those employees who request vacation outside of the shutdown period taking into consideration operational requirements. Those employees must book a minimum of two weeks vacation during the shutdown period. Vacation shutdown date will be posted by April 1<sup>st</sup> of each year.

Employees who are entitled to request vacation outside of the shutdown period will do so prior to January 31<sup>st</sup>.

Employees, not scheduled to work the shut down, may indicate their willingness to work during the shutdown period and shall do so by signing a volunteer list and will be selected by seniority, skills and abilities.

**18.2** Employees on the payroll as of January 1 in any year shall be entitled to annual vacation pay as follows:

Less than one (1) complete year of service - one (1) day of vacation for each month of service to a maximum of ten (10) days - 4% of earnings.

1 to 5 years of service - two (2) weeks with 4% of earnings.

6 to 10 years of service - three (3) weeks with 6% of earnings.

11 years or more - four (4) weeks with 8% of earnings.

"Earnings" in this Article means gross earnings as reported to Revenue Canada on the employees' T-4 slips for the prior year.

**18.3** If for any reason the employment of an employee is terminated, he will receive with its final pay cheque all vacation allowances outstanding. In the event of the death of an employee the Company will pay his beneficiary an amount equivalent to the vacation pay to which he would have been entitled.

**18.4** No employee will be required to cancel his vacation where it can be clearly demonstrated in advance that significant non-recoverable financial

commitments have been made.

**Article 19**

**WAGES AND BENEFITS**

- 19.1** The wages payable to employees are set forth in Schedule A which is attached and forms part of this Collective Agreement.
- 19.2** An hourly premium called "Trade Rate A" shall be paid to ticketed employees according with the conditions set forth in Schedule A.
- 19.3** The group insurance benefits for employees are set forth in Schedule B-1 which is attached and forms part of this Collective Agreement.
- 19.4** The pension plan is set forth in Schedule B-2 which is attached and forms part of this Collective Agreement
- 19.5** The Variable Global Efficiency Incentive Plan is set forth in Schedule C which is attached and forms part of this Collective Agreement.
- 19.6** A shift premium of \$0.30 per hour shall be paid for hours worked between 7 p.m. and 7 a.m.
- 19.7** A premium of \$0.35 per hour shall be paid for all hours worked on Saturday and Sunday. In addition, the shift premium will be paid for hours worked on Saturday and Sunday between 7 p.m. and 7 a.m.

**Article 20**

**ON-CALL AND CALL-IN PAY**

- 20.1** The Company will establish an “on-call” schedule which provides equitable distribution of on-call hours among qualified employees, who volunteer.
- 20.2** The purpose of “on-call” is to ensure that employees are available to satisfy special or extraordinary business needs or other operational requirements. Such employees will be furnished with a beeper, and may be called-in to work whenever needed during the on-call duty period (including Sundays, holidays, etc.)
- 20.3** Employees whom are on the “on-call” schedule shall be paid an amount with respect to such time as per Schedule A.
- Notwithstanding the foregoing, such “on-call” time shall not be considered as hours of work within the meaning of this agreement or otherwise.
- 20.4** Any employee whom is called in to work after leaving the premises of the Company following the end of his scheduled shift and before his next scheduling reporting time, shall be paid a minimum of 4 (four) hours pay at his regular rate in respect to each such call-in, or paid for actual time worked at his applicable rate if greater.

**Article 21**

**CRITICAL SERVICES**

- 21.1** The Company may designate and will pay, employees who, in addition to their regular functions, will be working as “critical service” workers. Such employees shall be entitled to a bonus as set out in this Agreement in consideration of their continued availability to satisfy fundamental business requirement or needs.
- 21.2** The Company will provide to the Union on a periodical basis a list of the positions which shall be considered to be critical services.

**Article 22**

**MANDATORY RETIREMENT**

**22.1** The mandatory retirement age of an employee shall be on his 65<sup>th</sup> birthday.

**Article 23**

**SPECIAL LEAVE OF ABSENCE**

- 23.1** Leaves of absence are granted at the Company's discretion. Applications must be in writing and include the reason for the leave. Leaves of absence will not be paid and do not result in any loss of seniority.
- 23.2** The Company shall upon request grant leaves of absence without pay to employees to accept appointed or elected positions with the United Steelworkers. Such an employee upon returning to the bargaining unit shall be assigned to the job he was performing when the leave was granted, or if that job is not available, to another job in an equivalent labour category no less than his previous job.
- 23.3** The Company shall upon request grant leaves of absence without pay to permit a maximum of two (2) employees to attend a Union convention or Union seminar. The Union will provide as much notice as possible, but in any event, at least fourteen (14) calendar days prior to the date of the leave. The Company will not unreasonably deny the leave, but shall have the right to refuse the request where, in its opinion, the leave would create scheduling or other operational difficulties.
- 23.4** The Company shall contribute one cent per hour worked by employees in the bargaining unit to a Union education fund. Such fund shall be used only for Union education and training for employees of the Company.



## Article 24

### HEALTH AND SAFETY

**24.1** The Company shall promote healthy and safe working conditions. The Union shall co-operate with the Company to implement the measures described above. Both parties agree to observe all laws, regulations and rules related to health, safety and fire prevention.

**24.2** The Company and the Union agree that employees attending work while illegally possessing, or under the influence, or using non-prescribed drugs or alcohol at work, may be creating a health and safety hazard for themselves and others, and therefore these actions are unacceptable. In this regard, employees must recognize that they may be subject to discipline for violations under the Company's Disciplinary Policy (or *Code of Conduct*). The Company and the Union recognize that in certain cases substance abuse or drug dependency may be addressed by referring the employee to the appropriate medical professionals for treatment.

**24.3** Employees will be provided with health and safety orientation, and will be expected to utilize that training, to follow job safety practices and to make their best reasonable efforts to prevent occupational accidents.

Employees are required by the Company to wear approved safety boots and other protective equipment in accordance with applicable legislation.

The Company will pay up to a maximum of \$125.00 per year per employee to purchase one pair of safety work boots. This entitlement may be accumulated to a maximum benefit of \$250.00 in a two (2) year period from the date of the last reimbursement.

**24.4** The Company will train up to 3% of its workforce on Health and Safety level1. Such employees will be jointly selected by the Company and the Union.

**24.5** The parties will establish a Joint Health and Safety Committee. This Committee will meet on paid time as required, but no less than once per month, to discuss all matters related to safety and health in the workplace. The Union shall appoint four (4) Union representatives to the Committee, two of whom will be Certified worker health and safety representatives under the Act, and one of whom will be the Union Chair. The Company agrees to permit the Union representatives sufficient opportunity on Company paid time to fulfill their duties, which shall include the following:

(i) monthly audits of the complete workplace;

- (ii) preparation for monthly Joint Health and Safety Committee meetings (including collection / review of safety statistics, follow-up on status of recommendations / agreed upon actions from prior meetings);
- (iii) reviewing safety manuals and job safe practices and procedures and review of lock-out procedures, purge procedures, high voltage switching orders (including on the job review with knowledgeable employees where necessary);
- (iv) accompanying government inspectors on plant tours (including inspections by the Ministry of Labour, and inspections related to the electrical code and gas codes, fire code, building code, *High Pressure Vessel Act*, *Hoisting Engineers Act*);
- (v) reviewing and where necessary updating Material Safety Data Sheets, and ensuring such are readily available in the workplace;
- (vi) investigating critical injuries and writing and/or reviewing reports required for the Ministry of Labour;
- (vii) reviewing emergency action plan;
- (viii) reviewing and monitoring any control programs for substances such as asbestos, mercury, or PCBs;
- (ix) reviewing training for new employee safety induction, and participating in training sessions;
- (x) and other duties as agreed to by the parties and/or provided for in legislation.

**24.6** An employee who is injured during working hours while performing duties of employment and who is unable to complete the shift, shall be paid for the time lost on the day of the injury at the straight time hourly rate for the balance of the shift.

**24.7** In the event of a serious accident a Union member of the Joint Health and Safety Committee shall be notified.

## Article 25

### TRAINING

- 25.1** The Company will give employees education and training within its general framework described in article 12- Labour Categories.
- 25.2** Education and training will consist of both on-the-job and classroom instruction. Classroom instruction will be, in principle, conducted outside of working hours, in which case employees will not be entitled to compensation for time spent. Classroom instruction required by the Company in subject matter directly related to the performance of duties will occur on paid time.
- 25.3** Under normal circumstances the Company will allocate approximately 1% of the available working time worked by the complete workforce on a yearly basis for classroom training. The training opportunities allocation is ruled in article 14.
- 25.4** The Company agrees to reimburse employees for tuition fees, and books required for course work, following proof of successful completion of a work related course. The employee must obtain written approval for the course and the amount of fees from the Company prior to enrolling in the course.

## Article 26

### ABSENCES FROM WORK & MEDICAL EXAMINATION

- 26.1 When unable to attend, the employee must contact the Company as far in advance as possible of his scheduled starting time.
- 26.2 Medical evidence may be required by the Employer outlining the nature of the absence and the expected date of return. When requested, the cost of obtaining such evidence shall be borne by the Company, up to a maximum of \$40 upon the presentation of a receipt.
- 26.3 If employees are absent due to illness or non-occupational injury for more than three months, prior to their return to work, the Company may request a medical examination of employees in order to maintain adequate safety standards or to confirm the ability of an employee to perform the duties and responsibilities associated with his position.
- 26.4 The Union recognizes that, in accordance with the Company's duties and responsibilities under the *Occupational Health and Safety Act* and the *WSIB Act*, medical examinations may be required for employees whom operate or maintain specific machinery or equipment.

Article 27

CONTINUOUS IMPROVEMENT

- 27.1 The Company will organize a voluntary participation program based on individual and group contributions made by employees with a view to fostering participation and involvement, in a continuous improvement philosophy. The Company will establish guidelines, mandate, methods and appropriate employee recognition for participation.

Article 28

LABOUR MANAGEMENT LIAISON

- 28.1** In order to maintain a peaceful and harmonious relationship and, in order to maintain dialogue upon matters of mutual interest, the parties agree to meet from time to time, but not less than monthly, to discuss ongoing matters relating to the workplace and the administration of the agreement. Among other matters discussed, the Company will inform the Union of contracting out (if any).

Article 29

OBSERVED HOLIDAYS

29.1 Employees shall receive the following observed holidays with pay:

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

29.2 In order to qualify for observed holiday pay an employee must work for the whole of each of his regularly scheduled shifts immediately preceding and immediately following the mill holiday concerned.

It is understood and agreed that an employee who is absent from work by reason of an authorized leave of absence, sickness, occupational accident, or lay-off shall not be eligible to receive observed holiday pay.

29.3 Should an employee work on a working day that is a holiday, the Company will pay at the rate of one and a half (1.5) of the employee's regular wage rate for all hours worked, in addition to the holiday pay provided under article 29.01.

29.4 Overtime premiums on Christmas Day, New Year's Day and Labour Day, shall be paid at double time of the standard hourly wage plus the premiums for specialization as defined in Schedule A.

Should an employee work on a non-working day that is a holiday, the Company will pay at the rate of one and a half (1.5) of the employee's regular hourly wage for all hours worked, in addition to the holiday pay provided under article 29.01, and the employee shall be entitled to a lieu day in respect of the holiday.

29.5 When any of the holidays are observed during an employee's scheduled vacation period, the employee shall be paid for the holiday, or at his discretion the employee may take another day off with pay in lieu of the holiday. The employee must indicate when he shall take the extra day at the time his vacation is scheduled.

**Article 30**

**BEREAVEMENT PAY AND JURY DUTY**

**30.1** An employee absent from work due to the death and attendance at the funeral of a spouse, partner, child, parent, brother, sister, grandparents, or grandchild will be paid bereavement pay for time not worked up to a maximum of three (3) days but such time shall not extend beyond two (2) days following the date of the funeral or memorial service. This allowance will only be made where the circumstances require the employee's absence from work in connection with the bereavement.

An employee absent from work due to the death and attendance at the funeral of a mother-in-law, father-in-law, step father or step mother, legal guardian, sister-in-law, brother-in-law, will be paid bereavement pay for time not worked up to a maximum of two (2) days but such time shall not extend beyond one day following the date of the funeral or memorial service. This allowance will only be made where the circumstances require the employee's absence from work in connection with the bereavement.

**30.2** Employees who are called for jury duty or subpoenaed as a witness shall, upon presentation to the Company of the appropriate proof of service, receive their regular earnings for regularly scheduled shifts for all days on jury duty or as a subpoenaed witness. The employee must turn in to the Company the jury fees or witness fees he received.



**Article 31**

**GENERAL**

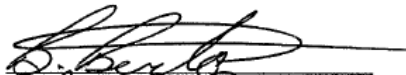
- 31.1** Whenever the male gender is used within this Agreement it is agreed that the feminine gender is an acceptable substitute wherever and whenever it is applicable.
- 31.2** Whenever the singular is used throughout this Agreement it is agreed that the plural is an acceptable substitute wherever and whenever it is applicable.
- 31.3** The Letters of Agreement agreed to by the parties are included in, and form part of this Collective Agreement.

Article 32

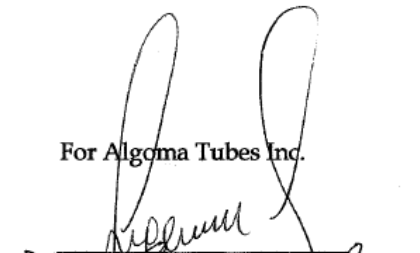
TERMINATION

- 32.1 This Agreement shall become effective on the 1<sup>st</sup> of June 2006, and shall continue in effect up to and including the 31<sup>st</sup> of May 2009.
- 32.2 Either party desiring to renew or amend this Agreement may give notice in writing of its intention during the last ninety (90) days of its operation.
- 32.3 If notice of intention to renew or amend is given by either party pursuant to the provisions of the preceding paragraph, such negotiations shall commence not later than fifteen (15) days after such notice or so soon thereafter as is mutually agreed.
- 32.4 If pursuant to such negotiations, an agreement is not reached on the renewal or amendment of the Agreement prior to the current expiration date, the Agreement shall continue in effect in accordance with the *Labour Relations Act*.

For the United Steelworkers of America

  
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Robert A. Buel  
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Matt Brown  
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Zhang Man Kay  
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For Algoma Tubes Inc.

  
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## LETTER OF AGREEMENT

### Contracting-Out

The parties recognize that labour requirements will fluctuate depending on market demand, production requirements, maintenance, repair, and construction, and that there may be operational circumstances of a temporary nature and peak labour force demands which cannot be met by the existing workforce. In these circumstances it may be necessary for the Company, subject to the terms of this Collective Agreement and this Letter, to retain contractors or agency employees.

Contract work is intended to permit the Company to manage short term fluctuation, and is not intended to be or to become a permanent alternative to hiring new employees into the bargaining unit.

The parties agree that the Company may contract for construction, maintenance assistance on scheduled down-days or emergency repair, security, office janitorial services (provided such work is not full time), and periodic heavy duty industrial cleaning services which requires specialized equipment, and similar services. In addition the Company may contract to satisfy maintenance requirements which are created by operational circumstances of a temporary nature and peak labour force demand which cannot be met by the existing workforce.

Agency employees or contractors may be utilized to meet temporary labour requirements for Production Jobs to a maximum continuous period of six (6) weeks by any contract employee for a specific task. The Union recognizes that there may be a number of separate instances where temporary operational circumstances create labour demands which cannot be satisfied by the existing workforce in production jobs, and that the six weeks maximum may be reapplied to new tasks. However, the total number of hours of contracted or agency work in any one year shall not exceed 30,000 hours, except by mutual agreement of the Company and the Union. For the purpose of this Letter, "Production Jobs" are defined to be functions which are directly related to the production of tubes or pipes or parts, including quality and rework.

In the event that the Company must reduce the labour force and lay offs will result, the Company will review activities that are contracted out with a view to reduce production and handling contractors replacing them with bargaining employees, wherever possible.

It is further agreed that the total number of contracted agency work will revert to 10,000 hours at 11:59 p.m. May 31, 2009.

- O -

## LETTER OF AGREEMENT

### Health and Safety Manuals & Practices

The Company acknowledges the Health and Safety Manuals and lock-out procedures established for the tube mill. The Company agrees to implement the job safety practices and procedures as outlined in the Manuals until such time as the Manuals are updated, revised, or replaced by the Joint Health and Safety Committee.

The Union acknowledges that some issues related to health and safety are the Company's responsibility, and the Union agrees that there are parts in the Health and Safety Manuals for which there may be no requirement for joint agreement to modify them.

-O-

## LETTER OF AGREEMENT

### Medical Examination

#### **Re: Interpretation and application of Article 26.2 - Medical examination**

The parties understand that Article 26.2 is not intended to provide the Company greater rights to require medical examinations than those rights it may have under the relevant legislation.

- O -

**LETTER OF AGREEMENT**

**Continuous Improvement**

**Re: Article 27**

The parties agree that the awards for participation in group activities related to Continuous Improvement will not take the form of cash payments. If the Company wishes to introduce a gainsharing program, which includes the opportunity of additional compensation for employees, such a program will be negotiated with the Union.

- O -

## LETTER OF AGREEMENT

### Hiring guidelines for Maintenance Specialized Operator Category

The Company may hire employees directly into the Specialized Operator categories in cases where the necessary skills (i.e. ticketed persons) are not available among existing employees, and the training of existing employees would not be concluded in time to meet the Company's requirements. Such hiring will not eliminate or reduce the training opportunities for current employees. Prior to hiring such employees the Company will inform the Union and discuss with the Union the necessity and alternatives for such purposes.

-O-

## **LETTER OF AGREEMENT**

### **RE: Apprenticeship Program**

Separate from the training program referred in Article 25, the parties agree to define by August 31<sup>st</sup>, 2006 an Apprenticeship program that will cover all maintenance employees who perform tasks for which the possession of trade ticket is required.

The terms and conditions of the Apprenticeship program will include specific standards, methods of training, definitions, eligibility requirements and term of apprenticeship in accordance with the standards set by the Ontario Ministry of Education and Training.

Apprenticeship wages are outlined in Schedule "A".

Eligible employees will be credited for hours retroactive to June 1, 2006 or credited equivalent hours as per the Ministry of Education and Training.



## LETTER OF AGREEMENT

### Training Curricula

The Company will define training curricula per different areas.

The content of those areas will be based on technical needs, Health and Safety rules and practices, processes or technological improvements among others, in order to maximize the experience and expertise accumulated by the employees during their progression and therefore increase the Company's productivity.

The training curricula is also intended to provide the employees with an understanding of the necessary skills and knowledge required to progress through the specialties and categories.

When scheduling the different activities the Company will use those areas as a reference. The areas will be published in a document issued by the Company on a yearly basis posted in the plant and informed to the Union.

-O-

**LETTER OF AGREEMENT**  
**Safety Captain**

The Company and the Union agree to have Health & Safety Captains in the plant who will be trained. The appointment of current Health & Safety Captains and appointment of future Health & Safety Captains will be reviewed by the Joint Health & Safety Committee. Definitions and functions of Safety Captains will be developed by the Joint Health & Safety Committee. For the purpose of this letter a Safety Captain is an employee acting as a reference in Health & Safety issues in the workplace.

-O-

**LETTER OF AGREEMENT**

**RE: Union Access to File Storage**

The Company agrees to provide the Union access to a locking file storage cabinet to be placed at a location to be determined by the Company. The filing cabinet is for Union correspondence and other related confidential information which is and will only be accessible by the Union.

**LETTER OF AGREEMENT**

**RE: Review of Operator and Specialized Operator Jobs**

The Company and the Union will meet to review the current Operator and Specialized Operator Jobs to ensure employees have earned their positions. The Specialized Operator review will be conducted by August 31, 2006. The Operator review will be conducted by September 29, 2006.

## SCHEDULE "A"

This Schedule describes some of the elements which form part of compensation and includes conditions with respect to entitlement.

### **STD HOURLY WAGE**

Employees shall receive a Standard ("STD") Hourly Wage for each hour of work. The applicable rates are set forth in the table hereto.

### **SPECIALTIES AND PROMOTIONS. GENERAL PRINCIPLES**

The Company has created specialties within each category and has developed tests based on a defined curricula and Health and Safety practices related to training areas as a condition for progression in each of the specialties. Each employee will be entitled to apply for qualification for a maximum of 3 specialties.

The specialties are meant to enhance the knowledge and expertise within each category and also to provide the employees the opportunity to understand the complete process by performing tasks in other categories.

Classroom and on-the-job training will be used depending on, among others, the operational scheduling limitations and training availability.

The major factor in the scheduling of jobs will be operational requirements and the need to assure that all jobs are filled by employees with the necessary skills and experience. The Company will attempt to schedule employees on activities that assist in achieving their specialties or categories, and which relate to the training curricula.

Payment for specialties will be made after employees have successfully completed the mandatory hours and necessary tests. Such tests will be based on a defined curricula related to each training area.

Employees who have accumulated the required hours must notify the Company (on the appropriate form) that they are prepared to write the necessary test. Payment should be made retroactive to the date of the formal request for examination, provided that the test is successfully completed.

In the event that the employee does not successfully pass the test he will not be eligible to apply to write a new test for a period of 90 days. After that period the employee may submit a new formal request. Upon successful completion of the test, payment will be retroactive to the date of the most recent formal request.

Two of the three specialties in each category shall include activities normally related to different category.

The hours necessary to fulfill the experience requirements are set forth in the table attached below.

Hours employees have worked prior to June 1, 2006 will be applied to meet the hours requirements for the achievement of a specialty or category.

#### **PAYMENT FOR FIRST SPECIALTY**

The first specialty is designed to promote an understanding of the specific tasks required within the employee category, and a basic understanding of how those tasks fit into the overall production process. The first specialty shall require experience on tasks which are within the employee's current category.

In order to fulfill the requirements of the first specialty, the Company will provide classroom, or on-the-job training, or a combination of both, depending on, among others, the operational scheduling limitations and training availability.

#### **PAYMENT FOR SECOND SPECIALTY**

The second specialty is designed, to further expand the necessary skills within the category, and to complement this knowledge by performing activities within other categories.

In order to be entitled for the second specialty, it is required that the hours worked in other categories shall complete a minimum of 200 hours of the total hours defined for the second specialty or the necessary hours of classroom training, or a combination of both, depending on, among others, the operational scheduling limitations and training availability.

#### **PAYMENT FOR THIRD SPECIALTY**

The third specialty is designed, to further expand the necessary skills within the category, and to complement this knowledge by performing activities within other categories.

In order to be entitled for the third specialty, it is required that the hours worked in other categories shall complete a minimum of 200 hours of the total hours defined for the third specialty or the necessary hours of classroom training, or a combination of both, depending on, among others, the operational scheduling limitations and training availability.

**PROMOTIONS TO OPERATOR OR SPECIALIZED OPERATOR**

After achieving three specialties employees are eligible for promotion to a higher category under the rules and procedures set forth in Article 14. Employees will qualify for promotions after completing 1000 hours of work experience in activities which are in a higher category and successfully complete the required tests.

|             | <b>Supporter</b> | <b>Operator</b> | <b>Specialized Operator</b> |
|-------------|------------------|-----------------|-----------------------------|
| Specialty 1 | 1100 Hrs.        | 1200 Hrs.       | 2000 Hrs.                   |
| Specialty 2 | 900 Hrs.         | 1200 Hrs.       | 2000 Hrs.                   |
| Specialty 3 | 900 Hrs.         | 1200 Hrs.       | 2000 Hrs.                   |

| <b>YEARS 2006/07</b>    | <b>Specialized Operator</b> | <b>Operator</b> | <b>Supporter</b> |
|-------------------------|-----------------------------|-----------------|------------------|
| <b>STD Hourly Wages</b> | <b>21.77</b>                | <b>19.50</b>    | <b>17.32</b>     |
| <b>First Specialty</b>  | <b>0.82</b>                 | <b>0.57</b>     | <b>0.55</b>      |
| <b>Second Specialty</b> | <b>0.82</b>                 | <b>0.57</b>     | <b>0.55</b>      |
| <b>Third Specialty</b>  | <b>0.82</b>                 | <b>0.57</b>     | <b>0.55</b>      |
| <b>Team Leader</b>      | <b>2.70</b>                 | <b>1.90</b>     | <b>1.10</b>      |

| <b>YEARS 2007/08</b>    | <b>Specialized Operator</b> | <b>Operator</b> | <b>Supporter</b> |
|-------------------------|-----------------------------|-----------------|------------------|
| <b>STD Hourly Wages</b> | <b>22.58</b>                | <b>20.23</b>    | <b>17.97</b>     |
| <b>First Specialty</b>  | <b>0.82</b>                 | <b>0.57</b>     | <b>0.55</b>      |
| <b>Second Specialty</b> | <b>0.82</b>                 | <b>0.57</b>     | <b>0.55</b>      |
| <b>Third Specialty</b>  | <b>0.82</b>                 | <b>0.57</b>     | <b>0.55</b>      |
| <b>Team Leader</b>      | <b>2.70</b>                 | <b>1.90</b>     | <b>1.10</b>      |

| YEARS 2008/09    | Specialized Operator | Operator | Supporter |
|------------------|----------------------|----------|-----------|
| STD Hourly Wages | 23.37                | 20.94    | 18.59     |
| First Specialty  | 0.82                 | 0.57     | 0.55      |
| Second Specialty | 0.82                 | 0.57     | 0.55      |
| Third Specialty  | 0.82                 | 0.57     | 0.55      |
| Team Leader      | 2.70                 | 1.90     | 1.10      |

#### TRADE RATE "A"

An hourly premium of \$2.00 called "**Trade Rate A**", shall be paid to "*Ticketed Employees*" within maintenance in addition to the highest level of specialization and in accordance with the following conditions:

"*Ticketed Employee*" is defined as a person who possesses provincial or inter-provincial certification (license/ ticket) indicating that he has acquired the knowledge and the skill to perform relevant tasks as determined by the Company.

The Ticketed person must provide proof of competency (license/ ticket) in the respective trade as determined by the Company.

"**Trade Rate A**" premium shall be conditional upon the effective performance of a task related to the relevant certification and will be paid on a bi-weekly basis.

"**Trade Rate A**" premium shall not apply to Team Leaders.

#### APPRENTICESHIP RATE

An hourly apprenticeship rate of \$.25 shall be paid based on eight (8) equal periods of six (6) months duration to maintenance employees enrolled in the apprenticeship program up to a maximum of \$2.00. Payment of this premium is conditional upon continued participation and completion of the apprenticeship program. The terms and conditions of the apprenticeship program will be outlined separately and as per the Letter of Agreement re: Apprenticeship Program.



| Period       | Rate    |
|--------------|---------|
| 1 (6 months) | \$ 0.25 |
| 2 (6 months) | \$ 0.25 |
| 3 (6 months) | \$ 0.25 |
| 4 (6 months) | \$ 0.25 |
| 5 (6 months) | \$ 0.25 |
| 6 (6 months) | \$ 0.25 |
| 7 (6 months) | \$ 0.25 |
| 8 (6 months) | \$ 0.25 |
| Total        | \$ 2.00 |

Employees enrolled in the apprenticeship program will be eligible to fulfill the requirements of the specialties in accordance with Schedule "A".

**"ON CALL"**

\$12 per week in accordance with the terms specified in Article 20.

**CRITICAL SERVICES:**

\$0,25 per hour of work in accordance with the terms specified in Article 21.

**ADDITIONAL PAYMENT FOR SHIFT PREMIUM**

A Shift Premium of \$0,30 per hour shall be paid for hours of work between 7:00 p.m. and 7:00 a.m.

A Premium of \$0,35 per hour shall be paid for hours of work on Saturday and Sunday (Shift Premium will also apply in case of Saturday and Sunday shift between 7:00 p.m. and 7:00 a.m.).

**SEVERANCE PAYMENT**

A Severance payment will be paid to Bargaining Unit employees with at least five (5) years of service and payable upon termination and abandoning re-call rights.

The Severance payment shall be an amount equal to one week of regular wage per year of service with no maximum.

**SCHEDULE "B-1"**

The Company agrees to pay the premiums associated with the provisions of the benefits described in a policy of insurance between the Company and [redacted] which policy is numbered [redacted]. Those benefits, as described in the policy, relate to basic life insurance, weekly indemnity, long term disability, health insurance and dental coverage, all subject to the terms and conditions of the aforesaid policy, a summary of which is as follows:

|                              |   |
|------------------------------|---|
| ELIGIBILITY                  | Full time employees after 3 month service   |
| DEPENDENT ELIGIBILITY        | Legally married or common-law spouse after 12 months cohabitation (including same sex relationships)<br>Dependent children under 21   |
| BASIC LIFE INSURANCE         | 1 x annual earnings, subject to a minimum of \$30,000.00<br>\$10,000 for retirees   |
| ADD                          | 1 x annual earnings<br>Minimum \$30,000   |
| WEEKLY INDEMNITY             | 60% weekly earnings<br>Maximum \$540/week<br>26 weeks<br>1 <sup>st</sup> day accident<br>1 <sup>st</sup> day hospitalization<br>4 <sup>th</sup> day illness                 |
| LONG TERM DISABILITY         | 50% monthly earnings after 26 weeks<br>Maximum \$2,300/month<br>2 year own occupation definition of disability.<br>3/12 pre-existing conditions limitations.<br>CPP offsets |
| DEDUCTIBLES HEALTH INSURANCE | Hospital - None<br>Drug - \$25 annually for family or single<br>Others - None   |
| REIMBURSEMENT                | Hospital - 100%<br>Drug - 100%<br>Others - 90%<br>Out of country - 100%   |
| MAXIMUM BENEFIT              | Unlimited<br>\$1,000,000 out of Canada  |
| PRESCRIPTION DRUGS           | Pay Direct Drug Card - legally requiring a prescription   |
| HOSPITAL                     | Semi-private to \$200/day   |
| PARAMEDICAL                  | \$300/year per practitioner   |

|                                       |   |
|---------------------------------------|---|
| VISION CARE                           | \$160/24 months   |
| DENTAL<br>Deductible<br>Reimbursement | None<br>100% Basic no cap<br>80% Major with \$1,500 annual cap                      |
| Orthodontic<br>Maximum<br>Fee Guide   | 50% for dependent under 21<br>\$1,000/annual cap per patient<br>up to date ODA fees |

- Life Insurance coverage commences immediately upon employment (i.e. first day).
- The probationary period provided in the collective agreement (including any Letters of Agreement) does not extend the 3 month service eligibility requirement.
- The Company agrees to meet with representatives of the Steelworkers Trusted Benefit Plan and to examine the possibility of entering into an arrangement with that Plan for the provision of benefits.

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## SCHEDULE "B-2"

### PENSION PLAN

1. The Employer shall contribute a fixed amount of \$1.95 per Hour the first year of this collective agreement; \$2.25 per Hour the second year; \$2.40 per Hour the third year Worked to the Steelworkers members Pension Benefit Plan - Plan B on behalf of each employee for each pay period, during the life of the present Collective Agreement.
2. Pension contributions will be made for employees who are in receipt of benefits from the WSIB or from the weekly indemnity or long term disability plans at a rate of 40 hours per week according to the following schedule:
  - for employees who have completed probation, but have less than five (5) years of service, contributions will be continued to a maximum of two (2) years;
  - for employees who have completed five (5) years of service, but not fifteen (15) years, contributions will be continued to a maximum of four (4) years;
  - for employees who have completed fifteen (15) years of service, contributions will be continued to age 55.
3. Notwithstanding Items 1 and 5 of this Schedule, pension contributions are not payable for employees who are in their probationary period. Upon completion of probation the Company will make a retroactive payment for all hours retroactive to the ninety (90) days after the date of hire.
4. The Union agrees that other than making its contributions to the Plan as set out in this article, the Employer shall not be obliged to contribute towards the cost of benefits provided by the Plan, nor be responsible for providing any such benefits. The Employer agrees that the obligation to make contributions shall include reasonable interest, reasonable liquidated damages and reasonable costs, if the Employer has failed in making its contributions.

The Union and Employer acknowledge and agree that under applicable current pension legislation, and/or regulations, the Employer has no requirement to fund any deficit in the Plan, but is required to contribute only that amount as required by the collective agreement in force between the parties.
5. The contributions shall be remitted to the Plan by the Employer within fifteen (15) days after the end of the calendar month in which the pay period ends.
6. The Employer agrees to provide to the Plan, on a timely basis the specific information which the Administrator may reasonably require in order to

properly record and process pension contributions and pension benefits, including the information required pursuant to the Pension Benefits Act and Income Tax Act.

For further specificity, the information required for each employee is as follows:

**i) To be Provided and Commencement of Participation for Each Employee:**

Date of Hire  
Date of Birth  
Date of Birth Contribution  
Address  
Social Insurance Number

**ii) To be Provided with each Remittance of Contributions for each Plant Participant:**

Name  
Social Insurance Number  
Amount of Remittance  
Hours Earned

**iii) To be Provided Initially and on a Status Change:**

Full Address as Provided to the Employer  
Commencement Date of Employment (MMDDYY)  
Termination Date of Employment (MMDDYY)  
Retirement Date  
Date of Death  
Gender

**iv) To be Provided Once Per Year After Year End - Summary Date:**

Name  
Social Insurance Number  
Total Amount Remitted for Year  
Total Hours Earned for Year

**7.** The Employer agrees to be bound by the terms of the Agreement and Declaration of Trust for the Steelworkers Members Pension Benefit Plan dated January 22<sup>nd</sup>, 1991, amendment approved on February 10<sup>th</sup>, 1998; amendment approved on March 3<sup>rd</sup>, 2000; amendments (2) approved on September 3<sup>rd</sup>, 1999; amendment approved on July 24<sup>th</sup>, 1998; amendment approved on October 16<sup>th</sup>, 1998, which established the Plan and the rules and regulations of the Plan adopted by the Trustees of the Plan, both as may be

amended from time to time. The Employer will be provided with copies of all such amendments, rules and regulations. In the event that at any time the Plan does not have sufficient assets to permit continued payment under the Plan, nothing contained in the Collective Agreement, Plan or the Participation Agreement or the Declaration of Trust shall be construed as obligating the Employer to make contributions other than contributions for which the Employer is obligated by the Collective Agreement.

8. The Employer agrees into a Participation Agreement with the Trustees of the Plan in the form attached hereto, and which shall be consistent with the terms of the Collective Agreement.
9. The Employer agrees that an employee who may be appointed by the Union to be a Trustee or alternate Trustee of the Plan shall be entitled to attend up to three meetings of the Plan in a calendar year during work hours and shall receive pay and be credited with seniority notwithstanding his or her absence from work for that purpose.

10. **Definitions**

For the purpose of the Pension only, the following term is defined as follows:

**"Hours of Work"** - means all hours for which an employee receives wages and includes hours for vacation, paid holidays, and approved Union leave. Pension contributions for overtime hours will be made on a straight time basis.

**"Employer"** - means the Company as defined in the Collective Agreement.

**"Employee"** - means any person employed by the Employer under the terms of the present Collective Agreement.

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## SCHEDULE "C"

### VARIABLE GLOBAL EFFICIENCY INCENTIVE

The Company shall pay an additional incentive which shall be dependant upon the level of satisfactory production relative to the number of man-hours employed in the production. This additional incentive will be called "*Variable Global Efficiency Incentive*". The rates of "*Variable Global Efficiency Incentive*" are set forth in the Table hereto.

#### **Payment Conditions**

The Variable Global Efficiency Incentive shall be paid on a monthly basis. The payment calculation shall be made during the following month and payment thereof shall be made effective at the end of that month.

#### **Minimum productivity level**

An additional payment of \$0,13 per worked hour shall be made when a minimum monthly productivity level of 0,20 tons RFS (Ready For Shipment) per man/hour of work computable to Union personnel at the Company is achieved as set forth in the attached Table.

#### **Maximum Value**

The maximum value to be paid shall be \$1,00 per worked hour on condition that a productivity of 0,27 tons or more of RFS (Ready For Shipment) steel tubes is achieved per/man hour of work of the Company's Union members as set forth in the attached Table.

#### **Productivity between 0,20 and 0,27 tons RFS per man hour Man hour/tons**

Where the monthly productivity of RFS (Ready For Shipment) is above the minimum and below the maximum, a payment will be made based on the attached Table.

#### **Tonnage**

For calculation purposes, only tons of tubes finished at the plant, which go into the Finished Product Warehouse in RFS (Ready For Shipment) condition are included. Consequently, those tn of tubes that are sent back to the production process due to quality failures will be deducted from the calculation in the following month. For the purpose of the Collective Agreement, tn means "Metric Tons" (1 Metric Ton=1000 Kg).

**RFS** (Ready For Shipment)

Means the production ready for shipment to the customers that have fulfilled qualities, quantity and packaging requirements for such purpose.

**Computable hours**

For calculation purposes, monthly hours of work will be calculated based on actual hours worked during the month.

**Additional Payment Modification or Extinction**

In case of a change in technology or in work methodology, which modify plant productivity, the applicability and value of the additional payment will become automatically null and void, and the parties will analyze and negotiate its substitution and/or new values.

**Productive Incentive**

| Tons/Mhour | Payment per Hour Worked |
|------------|-------------------------|
| 0.19       | \$0.00                  |
| 0.20       | \$0.13                  |
| 0.21       | \$0.26                  |
| 0.22       | \$0.39                  |
| 0.23       | \$0.52                  |
| 0.24       | \$0.65                  |
| 0.25       | \$0.78                  |
| 0.26       | \$0.91                  |
| 0.27       | \$1.00                  |
| 0.28       | \$1.00                  |
| 0.29       | \$1.00                  |
| 0.30       | \$1.00                  |

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**Schedule "D"**  
**List of Jobs Associated with Categories**

| <i>Job</i>                               | <i>Area</i>            | <i>Category</i> |
|--|------------------------|-----------------|
| NDT (EMI - UT) Operation                 | Finishing #1           | A               |
| Premium Thread Inspection                | Finishing #1           | A               |
| Spell Man Activities                     | Finishing #1           | A               |
| Team Leader                              | Finishing #1           | A               |
| Threader CNC Lathe Operation             | Finishing #1           | A               |
| Tool Crib Operation                      | Finishing #1           | A               |
| WMS Operation                            | Finishing #1           | A               |
| NDT (EMI - UT) Operation                 | Finishing #2           | A               |
| Spell Man                                | Finishing #2           | A               |
| Team Leader                              | Finishing #2           | A               |
| Threader PMC Operation                   | Finishing #2           | A               |
| Tool Crib Operation                      | Finishing #2           | A               |
| WMS Operation                            | Finishing #2           | A               |
| Quenching System Operation               | Heat Treatment         | A               |
| Re-Size Mill - Straightener Operation    | Heat Treatment         | A               |
| Spell Man Activities                     | Heat Treatment         | A               |
| Team Leader                              | Heat Treatment         | A               |
| Tooling Maintenance Stands Build Up      | Heat Treatment         | A               |
| Cold Saws Operation                      | Hot Mill               | A               |
| MPM Operation                            | Hot Mill               | A               |
| Piercer Operation                        | Hot Mill               | A               |
| Spell Man Activities                     | Hot Mill               | A               |
| SRM Operation                            | Hot Mill               | A               |
| Team Leader                              | Hot Mill               | A               |
| Tooling Maintenance Lathes Operation     | Hot Mill               | A               |
| Tooling Maintenance Repairs & Inspection | Hot Mill               | A               |
| Tooling Maintenance Stands Build Up      | Hot Mill               | A               |
| Team Leader                              | INCO                   | A               |
| Electrical BMG                           | Mtce. BMG              | A               |
| Instrumentation BMG                      | Mtce. BMG              | A               |
| Mechanical BMG                           | Mtce. BMG              | A               |
| Team Leader                              | Mtce. BMG              | A               |
| Machine Shop                             | Mtce. Central Services | A               |
| Mechanical Shops                         | Mtce. Central Services | A               |

|   |                        |        |
|---|------------------------|--------|
| Mobile Shop   | Mtce. Central Services | A      |
| Team Leader   | Mtce. Central Services | A      |
| Electrical Patrol   | Mtce. Patrol           | A      |
| Mechanical Patrol   | Mtce. Patrol           | A      |
| Team Leader   | Mtce. Patrol           | A      |
| Gauge Room Operation  | Quality                | A      |
| Laboratory Operation  | Quality                | A      |
| Premium Thread Inspection   | Quality                | A      |
| Quality Inspection (VERI-COFI-GI)                                 | Quality                | A      |
| Team Leader   | Quality                | A      |
| Team Leader   | Yard Operation         | A      |
| Furnace Operation   | Heat Treatment         | A      |
| Furnace Operation   | Hot Mill               | A      |
| Water Treatment Plant Operation                                   | Mtce. Central Services | A (CS) |
| Crane Operation   | Finishing #1           | B      |
| Cut Off Operation   | Finishing #1           | B      |
| Hydraulic Tester Operation  | Finishing #1           | B      |
| Prove Up / MPI Operation  | Finishing #1           | B      |
| Screw On Operation  | Finishing #1           | B      |
| Straightener Operation  | Finishing #1           | B      |
| Swaging Operation   | Finishing #1           | B      |
| API Thread Inspection   | Finishing #2           | B      |
| Crane Operation   | Finishing #2           | B      |
| Cut Off Operation   | Finishing #2           | B      |
| Hydraulic Tester Operation  | Finishing #2           | B      |
| Prove Up / MPI Operation  | Finishing #2           | B      |
| Screw On Operation  | Finishing #2           | B      |
| Straightener Operation  | Finishing #2           | B      |
| Cooling Bed HM - HT Inspection (Sampling - Inspection - Etc)      | Heat Treatment         | B      |
| Crane Operation   | Heat Treatment         | B      |
| Billet Cutting Operation  | Hot Mill               | B      |
| Cooling Bed HM - HT Inspection (Sampling - Inspection - Etc)      | Hot Mill               | B      |
| Crane Operation   | Hot Mill               | B      |
| Hot Mill Millhand (Mandrels - Plugs - Lubricants - Samples - Etc) | Hot Mill               | B      |
| Prove Up / MPI Operation  | Hot Mill               | B      |

|   |                        |   |
|---|------------------------|---|
| Crane Operation   | INCO                   | B |
| Notch making (Preparation/Inspection of NDT samples - NDT Tooling repairs)                  | Mtce. Central Services | B |
| Crane Operation   | Quality                | B |
| Prove Up / MPI Operation  | Quality                | B |
| Warehouse Operation   | Warehouse              | B |
| Mobile Equipment Operation (Articulated Loader/Pettibone/Ross Carrier/Yard lift/Locomotive) | Yard Operation         | B |
| Coating Area Operation  | Finishing #1           | C |
| Fork Lift Operation   | Finishing #1           | C |
| SEA Operation   | Finishing #1           | C |
| Shipping Operation  | Finishing #1           | C |
| Stocking / Visual Inspection  | Finishing #1           | C |
| Thread Protector Applier Operation  | Finishing #1           | C |
| Tool Crib Attendant   | Finishing #1           | C |
| Coating Area Operation  | Finishing #2           | C |
| Fork Lift Operation   | Finishing #2           | C |
| SEA Operation   | Finishing #2           | C |
| Shipping Operation  | Finishing #2           | C |
| Stocking / Visual Inspection  | Finishing #2           | C |
| Thread Protector Applier Operation  | Finishing #2           | C |
| Tool Crib Attendant   | Finishing #2           | C |
| Stocking / Visual Inspection  | Heat Treatment         | C |
| Furnace Charging Operation  | Hot Mill               | C |
| Stocking / Visual Inspection  | Hot Mill               | C |
| Stocking / Visual Inspection  | INCO                   | C |
| Labourer  | Mtce. Central Services | C |
| SEA Operation   | Quality                | C |
| Stocking / Visual Inspection  | Quality                | C |
| Fork Lift Operation   | Yard Operation         | C |
| Stocking / Visual Inspection  | Yard Operation         | C |

**\* List to be reviewed on a yearly basis by the Company**

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## **To all Algoma Tube's employees**

It is Algoma Tube's objective that every employee shall have a safe place to work. Safety is a primary responsibility and there will be no compromise with the Health and Safety of any employee.

This requires that:

1. Management shall ensure safety procedures and practices are written and current
2. Supervisors and team leaders ensure that employees under their direction understand and follow the safety rules and procedures
3. Employees have the responsibility to follow the rules and safety procedures, maintain a safe workplace and report any unsafe condition to their supervisor or team leader
4. All safety equipment required by legislation or company rules must be used by all employees

The company is committed to a joint and co-operative approach to Health and Safety in the workplace, an approach that recognizes the full involvement of all employees.

It is Algoma Tube's belief that acceptance and practice of these fundamental safety practices by both management and workers will improve teamwork and improve attitudes and assure the success of the corporation and our Safety Program.