# COLLECTIVE BARGAINING AGREEMENT

between

# **H**JBAY

and

UNITED STEELWORKERS, LOCAL UNION NO. 9338, OFFICE AND TECHNICAL WORKERS

**EFFECTIVE JANUARY 1, 2015** 

11492 (07)

#### AGREEMENT

THIS AGREEMENT made as of the 1st day of January, 2015

BETWEEN

#### HUDBAY

## OR ITS SUCCESSORS

(hereinafter called the "Company")

OF THE FIRST PART

- and -

UNITED STEELWORKERS, LOCAL UNION NO. 9338

(hereinafter called the "Union")

OF THE SECOND PART

# **UNITED STEELWORKERS - CBA**

## Local Union No. 9338

# **ARTICLE INDEX**

Article		
Number	List of Articles	Page
1	Recognition	1
	- Letter of Agreement	
	- Canada Labour Relations Board Order and Apper A	ndix
2	Management Rights	1
3	Union Security	3
4	Union Representation	4
5	Safety and Health	5
6	Seniority	7
7	Temporary and Part-Time Employees	9
8	Reduction and Restoration of Forces	10
	- Letter #3, #8	
9	Technological Change	14
10	Hours of Daily, Weekly and Overtime Work	16
	- Letter #1	
11	Rates of Pay	23
	- Letter #2, #4, Appendix C	
12	Benefit Plans	25
	- Letter #3, #5, #7	
13	General Holidays	40
14	Vacations with Pay	42
15	Leave of Absence	46
16	Benefit & Seniority-Employees not Actively at Work	x 52
17	Bulletin Boards	56
18	Discipline Procedure	57
19	Grievance and Arbitration Procedure	58
20	No Strikes, No Lockouts	61

21	Duration of Agreement	61
-	Letter of Agreement	78
-	Appendix A – Union Certification	79
-	Appendix B – Right to Refuse Procedure	82
-	Appendix C – Salary Scale	84
-	Appendix D – Position Listing	87
-	Signing Authorities	88

# **UNITED STEELWORKERS - CBA**

## Local Union No. 9338

# LETTERS OF UNDERSTANDING INDEX

er	Page
Banked Overtime Pay	63
Paterson Plan	64
Long-Term Disability Benefits	
Profit Sharing Plan	67
Geographic Requirement for Benefit Coverage	70
Students	71
Application of CBA to Temporary Employees	72
Retransfer Rights	74
Office and Technical Union	75
Moving from B24 to C31	76
Paid Union Day	
	Banked Overtime Pay. Paterson Plan Long-Term Disability Benefits Profit Sharing Plan Geographic Requirement for Benefit Coverage Students Application of CBA to Temporary Employees Retransfer Rights Office and Technical Union Moving from B24 to C31.

# **UNITED STEELWORKERS – CBA**

# Local Union No. 9338

#### **SUBJECT INDEX**

Page

Absenteeism, Long Term Adoption Leave Agreement Duration Application to Canada Labour Relations Board Arbitration Arbitrators B24 to C31 Banked Overtime Pay	51 61 78 59 60 76 63
Bargaining Committee	
Benefit and Seniority Accrual for Employees not Actively at	Work
Benefit Plans	
Death Benefit Plan	40
Dental Plan	
Drug Plan	
Geographinc Requirement for Benefit Coverage	70
Health Plan	28
Life Insurance	
Long-Term Disability	
Pension Plan	
Sick Benefit Plan Snow Lake Referrals	
Temporary Employees	
Vision Care	
Bereavement Leave	
Bulletin Boards	
Callout	17
Child Care Leave	51

Committees	
Bargaining	
Grievance	
Safety and Health	
Technological Change	
Contracting Out	
Cost of Living Allowance	
Death Benefit Plan	
Dental Plan	
Discipline Procedure	
Discrimination	
Drug Plan	
Dues	
Union Full Time Employees	3
Union Temporary and Part Time Employees	
Duration of Agreement	61
General Holidays	
Pay	
Scheduled Day Off Substitute Day Off	
Grievance	
Committee	4
Procedure	
Harassment	
Health Plan	
Hours of Daily, Weekly and Overtime Work	
Job Evaluation	
Job Posting	
Jury Duty	
Layoff	
Leave of Absence	
Adoption	
Bereavement	
Child Care	
Jury Duty	
Maternity Leave	
Seniority Union	
Life Insurance	
Long-Term Absenteeism	

Long-Term Disability	
Management Rights	1
Maternity Leave	
Meal Allowance	
Medical Examination	
Moving From B24 to C31	
No Discrimination or Harassment	
Office and Technical Union	
Overtime	
Banked Overtime Pay	
Part Time Employees	9
Paterson Plan Job Evaluation Method	
Pension Plan	•
Personal Files	
Premium	
Service	
Weekend	
Probationary Period	
Profit Sharing Plan	67
Rates Of Pay	
Callouts	
Cost of Living Allowance Overtime	
Salary Progression	
Salary Scale	
Service Premium	
Shift Differential/Premium Students	
Weekend Premium	
Reassignment, Consideration for	
Recall Rights	
Reduction and Restoration of Forces	
Retransfer Rights	
Right to Refuse Procedure	
Safety and Health	
Committee	
Training	6
Salary Scale	
Saturday Premium	

Seniority	-
Job posting Leave Listing	12, 46
Service Premium	
Severance	
Shift Differential/Premium	
Sick Benefit Plan	
Signing Authorities	
Snow Lake Referrals	
Stewards	
Suspensions	
Technological Change	
Committee	
Temporary and Part-Time Employees	9, 72
Termination of Employment	
Union	
Bulletin Boards	
Dues, Full-Time Employees	
Dues, Temporary and Part-Time Employees	
Leave Recognition	
Representation	
Security	
Shop Stewards	
Vacations	
Bereavement	
Regular Regular – Entitlement	
Regular – General Holiday	
Regular – Vacation Bonus	43
Regular – Vacation Pay	
Special Special – Vacation Pay	
Vision Care	
Weekend premium	17

## Article 1

#### RECOGNITION

- 1.01 The Company recognizes the Union as the sole bargaining agent for the purposes of collective bargaining in respect of rates of pay, wages, hours of employment and other conditions of employment for employees who fall within the scope of the Certification Order issued by the Canada Labour Relations Board on November 18, 1993.
- 1.02 Whenever the masculine gender appears in this Agreement it shall also mean the feminine gender, unless the context requires otherwise.

See:

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

# Article 2

#### **MANAGEMENT RIGHTS**

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

its commitments and responsibilities. Without limiting the generality of the foregoing, it shall be the sole and exclusive prerogative of the Company to decide on the location of its plants and mines, the products to be mined and/or processed, the schedules of production, the methods of mining and processing used, the number of employees needed by the Company at any time, operating techniques, methods, machinery, equipment and supplies, to determine services to be rendered and the location from which such services are provided, to equipment, techniques, methods determine and determine the of materials. to nature the staff organization and reporting relationships, to determine the size of the work force and the allocation and assignment of the work to employees, to determine policies affecting the selection and assignment of employees, including the establishment and administration of tests for the purposes of assisting the Company in assessing qualifications, and to determine work standards and production levels and the quality of workmanship to be required.

- 2.03 The Union recognizes that the Company has the right to promote or transfer employees to positions both within and outside of the bargaining unit and to return employees to positions within the bargaining unit. Employees entering the bargaining unit will not be allowed to exercise seniority rights for a period of three (3) months.
- 2.04 The Company reserves the right to hire trainees for positions outside of the collective bargaining unit and to have them work with or in bargaining unit positions as part of their training. Provided that such trainees work alongside or in bargaining positions for no more than

three (3) months, they shall not be considered as coming within the bargaining unit. It is understood that co-op students hired for the period of a work term will not be considered as coming within the bargaining unit. It is further understood that with regards to all other students the Company may, at their option, adopt special rates to be paid such students.

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

## Article 3

# UNION SECURITY

- 3.01 Every employee covered by this Agreement shall, as a condition of continuing employment, pay to the Union an amount equal to the Union's constitutional monthly dues. The Company will deduct such amount from the employee's pay on the second pay day of each month.
- 3.02 Deduction of monthly Union dues will cease when an employee is transferred or promoted to a position outside of the bargaining unit.
- 3.03 The Company will transmit to the authorized representative of the Union the total monthly deductions of Union dues, listing the employees by name from whose pay such Union dues have been deducted. The Company will, at the time of making such payment to the Union, list the additions to and deletions from the

previous month's listing, noting the reasons for such additions or deletions.

3.04 The Company will, on or before March 1st of each year, furnish to each employee a statement of the total monthly dues which have been deducted from such employee's pay cheques and remitted to the Union during the preceding calendar year.

#### Article 4

## UNION REPRESENTATION

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

4.02 No committee, with the exception of the Negotiating Committee referenced in 4.01 (d) shall have the right to alter, amend or change any of the provisions of this agreement.

## Article 5

# SAFETY AND HEALTH

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

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

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

5.02 In recognition of the common concern of the Company and the Union in the area of safety and health, a Joint Safety and Health Committee shall be established comprised of two (2) employee representatives and two (2) representatives of the Company. The Company will arrange to provide any training that it deems necessary or that is required by law. The Committee will meet monthly, or more often if determined necessary by both parties. Members of the Committee will be paid for any time spent in Committee meetings during their regular working hours.

- 5.03 Where an employee, after he has commenced work in any day or shift, suffers an industrial accident which, in the opinion of a duly qualified medical practitioner, prevents him from continuing at work, he will be paid at his regular rate of pay, plus any applicable shift premium and Sunday premium, for the balance of the time he would have worked regularly in that day or shift, had that accident not occurred.
- 5.04 In any case where, subsequent to his last date of hiring, the Company requires that an employee undergo a medical examination or obtain a medical certificate other than a medical examination or certificate required by law or the usual Doctor's Certificate of Fitness for Work for employees, the Company will, if any such examination takes place outside the employee's regular working hours, pay such employee at his basic rate for any time spent on such examination.
- 5.05 An employee who is requested to undergo a medical examination and/or provide a medical report or who is required to obtain a medical certificate or a Certificate of Fitness for Work and who fails to do so, may be suspended without pay until such time as the requested documentation is provided to the Company.
- 5.06 The Company agrees to provide a minimum of two (2) normal working days of training each contract year for the two (2) Safety and Health Committee representatives. Such training shall be provided at the Company's discretion in sessions from two (2) to eight (8) hours duration.

## Article 6

## SENIORITY

- 6.01 Seniority shall mean the length of continuous service with the Company since the date of last hire as a full-time employee. The Company will provide to the Union once per year a list of bargaining unit employees, their classifications and their seniorities and at the end of each quarter, detail movements into, out of, and within the unit.
- 6.02 Probationary Period

All new or rehired employees shall be considered as probationary employees until completion of seven hundred and twenty (720) working hours. Such employees will be given an interim evaluation of their performance after working three hundred and sixty (360) working hours.

Probationary employees shall have recourse to the grievance procedure in all matters and during the probationary period an employee shall be considered as being employed on a trial basis and may be discharged without notice at any time at the sole discretion of the Company, any such discharge shall be communicated in writing to the USW 9338 President. The probationary employee may grieve the dismissal under this clause. However if management has acted in good faith in assessing the employee the grievance shall be dismissed.

6.03 Job Posting

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

It is agreed that the entry level position into the Analytical Services Department will be posted but all movement above that level will be through progression.

It is further agreed that openings in the classification of mine planner, mine surveyor, maintenance planner, material technician and metallurgical technologist will be posted without regard to work location. Assignment within the classification will be at the discretion of management.

Employees currently in the bargaining unit shall receive first consideration. In the event no qualified bargaining unit employee applies for the position, hourly employees from outside the bargaining unit shall be given consideration.

The Company, in deciding which applicant, if any, it will choose to fill the vacancy, will consider the skill, ability, and qualifications of each candidate in the context of the requirements and efficiency of operations. In the event two (2) or more candidates are considered equal in skill, ability and qualifications, seniority will be the deciding factor.

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

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

Where an employee has been selected to fill a posted job vacancy, the Company will use its best efforts, taking into account the efficiency of operations, to effect the move in an expeditious manner. In the event the Company is unable to place the successful applicant in the vacancy within forty-five (45) working days of being awarded the bulletin the employee will be paid the higher of the rate of the bulletin job or the rate of the job he is performing until he is placed in the vacancy.

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

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

#### Article 7

#### **TEMPORARY AND PART-TIME EMPLOYEES**

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

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

If a temporary employee is employed for a period in excess of **fourteen (14**) consecutive months such employee will be considered a regular full-time employee.

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

## Article 8

## **REDUCTION AND RESTORATION OF FORCES**

8.01 Whenever a reduction of force or a reduction of hours is necessary, the Company shall give fourteen (14) calendar days' notice, or fourteen (14) days' pay in lieu of such notice, except in the case of temporary reductions due to breakdown, accident, or other emergencies making such notice impossible. Notwithstanding the foregoing, the Company will advise employees as soon as possible after a decision is made to reduce hours or manpower.

- 8.02 If the Company deems a layoff in a position necessary, employees who are to be declared redundant will be selected on the basis of skill, ability and qualifications in the context of the requirements and efficiency of the operations. In the event two (2) or more candidates are considered to be relatively equal in skill, ability and qualifications, the junior employee will be laid off first. Layoffs will be made in consultation with the Union.
- 8.03 Employees laid off shall keep the Company advised of their address or forfeit their right to consideration when the working force is again restored. Notice of restoration shall be given to the employee not less than ten (10) days prior to his recall date by one of the following methods: (i) to the employee personally, or (ii) by leaving a message at the home of the employee, or (iii) by mailing it to him at his last known address by registered mail.
- 8.04 If it is necessary to hire individuals to fill either temporary vacancies in the bargaining unit which the Company expects to last longer than three (3) months, the bargaining permanent vacancies in unit, or preference will be given to qualified bargaining unit employees and to qualified bargaining unit employees on layoff with recall rights before considering individuals outside the unit. In so doing, the Company will consider the skill, ability and gualifications of each candidate in the context of the requirements and efficiency of the operations. In the event that the final selection comes

down to two (2) or more candidates with recall rights, whose skill, ability and qualifications are considered to be relatively equal, the most senior employee will be recalled. Recalls will be made in consultation with the Union.

- 8.05 An employee who is laid off by the Company will retain recall rights for a period equal to their seniority at time of layoff to a maximum of three (3) years. An employee who is laid off by the Company will not lose his/her seniority status because of a layoff, but his/her continuous service record shall not be lengthened more the one hundred eighty (180) calendar days during such layoff.
- 8.06 An individual who is laid off with one (1) or more years of service, who notifies the Company in writing within one hundred and **eighty (180)** calendar days of being so laid off that they relinquish all rights to recall and wish to terminate their employment, shall be paid as severance pay an amount equal to one (1) week's pay for each complete year of continuous service.
- 8.07 These provisions shall be deemed to satisfy the minimum severance requirements that are set forth in the Canada Labour Code.
- 8.08 Seniority will continue to accrue in the following situation:
  - (a) Any leave of absence approved by the Company.
  - (b) Any maternal or parental leave approved by the Company.

- (c) Any leaves of absence for Union business approved by the Company.
- 8.09 An employee will lose all seniority and be deemed to have terminated employment if the employee:
  - (a) Voluntarily quits or is terminated.
  - (b) Is absent without leave from the Company for a period of over three (3) days without providing a reason satisfactory to the Company.
  - (c) Fails to return to work from an approved leave of absence or in accordance with the recall provisions of this Agreement unless, in either case, a reason satisfactory to the Company is given.
  - (d) Is laid off by the Company for a period longer than the period during which they retain recall rights.
- 8.10 A non-certified employee entering the bargaining unit who displaces another employee must be senior to the employee they displace and be considered to be an equal or better candidate to do the job given a short period of familiarization.

#### See Letter of Understanding

#3 – Long-Term Disability Benefits#8 – Retransfer Rights

8.11 If an employee is temporarily assigned to a job by the Company he shall receive the percentage rate for the job or his regular straight time hourly rate, whichever is greater. If an employee performs a temporary assignment the time accumulated will contribute towards movement in the percentage rate of that new job.

## Article 9

# TECHNOLOGICAL CHANGE

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

- (a) The introduction by the Company into its work, undertaking or business of equipment or material of a different nature or kind than that previously utilized by the Company in the operation of the work, undertaking or business; and
- (b) Change in the manner in which the Company carries on the work, undertaking or business that is directly related to the introduction of that equipment or material, provided however that any such change is such that it is likely to affect the terms and conditions or security of employment of a significant number of the Company's employees to whom this collective agreement applies. Notwithstanding the foregoing, the red circling provisions outlined below will apply if one or more employees are affected by the technological change.
- 9.01 If an employee is downgraded by the Company into a position paying a lesser rate of pay because of a technological change, such employee will maintain his rate of pay at the time of downgrading. That rate shall be red circled. The red circle rate will remain in effect for a one (1) year period, at which time the employee's rate will be reduced to the full performance level for the new job.

- 9.02 The Company shall give one hundred and twenty (120) calendar days notice prior to introducing technological change.
- 9.03 In the event of a technological change, the Company will, as far in advance of the change as possible, enter into discussions with the Union for the purpose of providing:
  - (i) A detailed description of the nature of the proposed technological change;
  - (ii) The names of the employees who will likely be affected by the proposed technological change;
  - (iii) The rationale for the change and the impact it will have on the Company's efficiency and economy of operations, and
  - (iv) The Company's plan to minimize the impact of the technological change on the employees affected.
- 9.04 As a result of discussions outlined above and where the scope of the technological change necessitates it, a committee of two (2) Company and two (2) Union members will be established by the Union and the Company.
- 9.05 The Company shall provide the members of the committee with materials pertaining to technological change which may be required to ensure that the fullest discussion on such matters as retraining, change of work methods, reorganization of work, change to the method of organization, etc. will take place in an effort to

implement change with the least possible disruption and with the maximum possible benefits to the Company and employees.

- 9.06 The provisions of this Article are intended to assist employees affected by technological change to adjust to the effects of the technological change.
- 9.07 The provisions of the Canada Labour Code, Division IV, Sections 52, 54 and 55 do not apply during the term of this Agreement to the Company and the Union.

## Article 10

#### HOURS OF DAILY, WEEKLY AND OVERTIME WORK

- 10.01 This Article is intended to define the normal hours of work and is not to be construed as a guarantee of hours of work per day or per week or of days or work per week. The normal work week shall be comprised of forty (40) hours per week exclusive of unpaid lunch periods.
- 10.02 An employee shall be paid overtime at the rate of one and one-half (1<sup>1</sup>/<sub>2</sub>) times the employee's equivalent hourly rate for all pre-authorized overtime work performed in excess of forty (40) hours per week.
- 10.03 "Equivalent rate" means the employee's monthly salary multiplied by twelve (12) and divided by two thousand and eighty (2,080).
- 10.04 An employee will have deducted from his wages an amount equal to any scheduled hours not worked during the pay period multiplied by his/her hourly rate. No

deduction will be made for hours which have been pre-authorized as paid leave.

- 10.05 Weekend premium pay of one dollar (\$1.00) per hour shall be paid to all hourly rated employees for each straight time hour worked on Saturday and/or Sunday"
- 10.06 Each employee with at least one (1) year seniority will be paid a service premium of thirty cents (30¢) for each straight-time hour worked. This service premium should not form part of the employee's straight-time hourly rate and will only be paid for straight-time hours worked and will not be included for the purposes of establishing benefit entitlement, the calculation of holiday, vacation or any other pay, or for any other purposes whatsoever.
- 10.07 If an employee has completed the scheduled hours of work for his shift and is called in for overtime, he shall receive pay for the full time so worked except that he shall receive pay for a minimum of four (4) hours.
- 10.08 No employee shall be required to work more than six (6) hours, which includes two (2) hours overtime, without being allowed a reasonable lunch period on Company time. For each additional three (3) hours overtime such employee works, he shall be provided with an additional lunch period. For such overtime which is unscheduled (if an employee is not provided with at least twelve (12) hours notice prior to the start of the overtime assignment) the Company shall supply to the employee a meal or at the Company's or the employee's request, a meal allowance of \$10.00 shall be paid in lieu of a meal.
- 10.09 A shift differential shall be paid at the following rates:

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

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

Night Shift - 63 cents/hour

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

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

Any shift starting between 6:00 am and 12:00 noon shall be classed as day shift. Any shift starting between 12:00 noon and 6:00 pm will be classed as afternoon shift. Any shift starting between 6:00 pm and 10:00 pm will be classed as night shift. Any shift starting between 10:00 pm and 6:00 am will be classed as graveyard shift.

See Letter of Understanding

#1 - Banked Overtime Pay

10.10 When overtime work is scheduled by the Company it shall distribute such work as evenly as practicable among the employees in the working group and for this purpose it shall take into consideration the preference of the employees and the availability of the employees in the same group who can do the work.

10.11 Any employee working in Snow Lake and not living in subsidized Company accommodation will be paid a premium of two dollars and fifty cents (\$2.50) in addition to his basic rate for each straight time hour worked. This premium shall not form part of the employee's straight time hourly rate and will only be paid for straight time hours worked.

# 10.12 (a) Changes in Shift

An employee shall be given 24 hours' notice in the event of a change in his shift. Where 24 hours' notice is not given, employees shall be paid at the overtime rate for the first shift.

If an employee is assigned work part way through a shift that requires him to work on a different shift that day, the employee and his supervisor will consult to determine whether the employee should complete his regular shift or leave work early.

(b) Notice Required on Change of Rest Days

In the event that an employee is assigned to changes the which employee's а iob days from the job scheduled rest he presently occupies, overtime rates shall be paid for work performed on such rest days for the first week only of the work schedule of the new job, if sufficient notice is not given by instructing the employee to that effect (or by posting) prior to the scheduled rest days of the job he presently occupies.

For the purpose of this article, sufficient notice shall mean the greater of two (2) calendar days or a number of days equal to the number of rest days of the work schedule for the job he presently occupies.

(c) Pay for Work on Rest Days

Notwithstanding the provisions of Article 10.12 (b) overtime rates shall be paid to employees for work performed at the request of the Company on the first and subsequent rest day(s) designated for the job which he presently occupies. The provisions of this paragraph shall apply also to General Holidays or days observed in lieu.

- 10.13 (a) If an employee has completed the scheduled hours of work for his shift and is called in for overtime work, he shall receive pay for the full time so worked plus one (1) hour, except that he shall receive pay for a minimum of four (4) hours. However, this provision of "plus one hour" shall not apply in situations as described in Article 10.14.
  - (b) (i) A steady day worker who is called out within ten (10) hours of his next regularly scheduled shift shall be paid for the call-out as per Article 10.13 (a). In this situation he shall have the option of not reporting for any portion of the first four (4) hours of his next regularly scheduled shift, with no pay for the hours not SO worked. In

addition, if the call-out occurs between 12 midnight and 4:00 a.m. an additional payment of \$50.00 shall be made to the employee.

- **(ii)** If a steady day worker, as a result of a call-out within ten (10) hours of his regularly scheduled shift. is next required to work six (6) hours or more on call-out, he will be deemed to have worked more than sixteen (16) consecutive hours at the request of the Company and Article 10.15 will apply. In any event, where the call-out occurs between 12:00 midnight and 4:00 a.m. an additional payment of \$50.00 shall be made to the employee.
- (c) The Company shall endeavour to provide transportation to outlying mines to all employees called out, pursuant to Article 10.13 (a). In the event that the employee is required to use his own vehicle when called out to work at outlying mines the Company agrees to pay its normal mileage allowance of 40¢ per kilometre.
- (d) In the event an employee is called out to perform overtime work under Article 10.13 and he completes the work for which he was called, he will not be assigned additional work unless the nature of that additional work is such that it would have otherwise warranted a call-out on its own account.

- 10.14 Overtime rates shall be paid to employees for all prearranged overtime worked before the regular starting time of any shift or are held after the end of a shift of eight (8) hours for the time worked in excess of eight (8) hours. It is understood that if an employee is required to report for work prior to the normal start of his regular shift, he will be allowed to work until the end of his regularly scheduled shift, unless he is notified by the day before that both his starting and stopping times have been changed.
- Where an employee works more than sixteen (16) 10.15 consecutive hours at the request of the Company, he shall be entitled to an eight (8) hour rest period. If his regular shift is scheduled to commence before the expiration of an eight (8) hour rest period he will be permitted to remain at rest for said period and will be paid his regular rate for the hours of his regular shift which fall within said rest period and for the remainder of his regular shift which he works he will also receive his regular rate of pay. Where an employee is directed by his supervisor to work on that part of his regular shift which falls within the said rest period he shall be paid at overtime rates on his base rate for those hours so worked. If not so directed the employee will remain at rest for an eight (8) hour period.

## **RATES OF PAY**

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

Level	Pay	Time at Level
Developmental	90% of full	6 months
	performance rate	
Acceptable	95% of full	normally for
	performance rate	1 year
Full	Full performance	
Performance	rate	

Salary Progression for a Given Job

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

- 11.02 (a) A Cost of Living Allowance will, if applicable, be paid to each employee as set out below. This allowance will be based on the Consumer Price Index (all items - base; 1971 = 100) published by Statistics Canada (hereinafter referred to as the "CPI") and will be calculated as follows:
  - (b) Effective October 1, 1999 a Cost of Living Allowance (COLA) will become effective to be triggered only if the cost of living for the previous quarter exceeds one and one-quarter percent (1.25%) and to be paid on that portion of the increase only which exceeds one and one-quarter percent (1.25%) for that quarter.

For each 0.35 point rise in the official Consumer Price Index for Canada (all items 1971 = 100) that is in excess of a one and one-quarter percent (1.25%) rise in the guarter in guestion, a Cost of Living Allowance of one (1) cent rounded off to the nearest one (1) cent shall be paid. Such payment shall not form part of the employee's straight time hourly rate and will only be paid for straight time hours worked in the guarter and will not be included for the calculation of vacation pay. The first such allowance shall become the COLA float and be payable following the publication of the September, 1999 CPI and will be based on that portion of the increase in excess of one and one-quarter percent (1.25%) rise in the CPI reported for June, 1999 and September, 1999 and subsequent Cost of Living Allowances shall be calculated guarterly thereafter, based on the and one-quarter increase over one percent (1.25%) in the previous three-month period. Subsequent adjustments shall be added to the COLA float.

- (c) The amount of the Cost of Living Allowance in effect at any time shall not form part of the employee's straight time hourly rate and will only be paid for straight time hours worked and will not be included for the calculation of vacation pay.
- (d) No adjustment retroactive or otherwise shall be made due to any revision which may later be made in any CPI published by Statistics Canada.

(e) The continuance of the Cost of Living Allowance shall depend upon the availability of the CPI calculated on its present basis and in its present form.

See Letter of Understanding

- #2 Paterson Plan
- #4 Profit Sharing Plan
- #6 Students

See Appendix C

#### Article 12

## **BENEFIT PLANS**

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

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

The Union will be provided with any changes or updates to a Plan and/or Policy.

12.02 Pension Plan

Employees entering the bargaining unit after January 1, 1994 will become members of the Revised Retirement Pension Plan and provides:

Basic pension, payable at 58 years of age and 30 years service:

Effective **January 1**, **2015** the Pension Plan Agreement shall be amended to provide for a basic pension of **\$55.50** per month times years of service.

Effective **January 1**, **2016** the Pension Plan Agreement shall be amended to provide for a basic pension of **\$57.50** per month times years of service.

Effective **January 1**, **2017** the Pension Plan Agreement shall be amended to provide for a basic pension of **\$59.50** per month times years of service.

The Pension Plan Agreement shall provide a supplementary pension of **\$23.00** per month times years of service, payable at 58 years of age and 30 years service, until eligible for OAS.

Employees who were members of the Bargaining Unit prior to January 1, 1994 and who have not elected to migrate to the Money Purchase Plan as defined herein will remain members of the Salaried Retirement Income Plan (SRIP).

SRIP Members:

- For SRIP members banded C31 to C44 inclusive, effective January 1, 2005 the Company will contribute 1.5% of their yearly basic salary into the Money Purchase Plan for employees of Hudson Bay Mining and Smelting Co., Limited that was established effective January 1, 1994 (the "Money Purchase" Plan).

- At retirement, a SRIP member will receive the greater of the SRIP pension benefit or a pension calculated as if they were a member of the Revised Retirement Pension Plan.
- The value of an employee's money purchase account in the Money Purchase Plan as of the employee's date of retirement will be considered part of the employee's SRIP benefit at time of retirement in determining which is the greater benefit, the Revised Retirement Pension benefit or the SRIP pension benefit. All such determinations shall be made by the plan actuaries in accordance with the then current assumptions being utilized in evaluating the Salaried Retirement Income Plan.

Former SRIP Members, now MPP Members:

- For employees who are members of the Bargaining unit and the Money Purchase Plan, the Company will make contributions at 3% of such member's annual earnings to their Money Purchase Plan account. Earnings are defined as base pay excluding any overtime, bonuses, premiums, profit sharing, or other special payments.
- Effective January 1, 2009, a member may make voluntary contributions to their Money Purchase Plan account of up to 3% of the member's annual earnings, and the Company will make matching contributions to the plan for the member equal to

the member's contributions. Voluntary contributions may only be made in full percentages (e.g. 1%, 2%, or 3%). A member may, if they wish to do so, change their election, once annually, on January 1 of each year.

- The Company will contribute an additional 1.5% of their yearly salary effective January 1, 2005 into the employee's money purchase account for employees who had been members of the SRIP and who had subsequently elected to migrate to the Money Purchase Plan.
- 12.03 Life Insurance

Employees will be covered for:

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

#### 12.04 Health Plan

The Company will provide Health Plan benefits in accordance with the terms and conditions set out in separate agreements between the Union and the Company (the "Health Plan Agreement" and Local 9338 Office and Technical Workers Employee Benefit Plan revised as of 2015).

The Company shall be responsible for funding the Health Plan benefits in an amount sufficient to

provide the agreed services to employees and their dependents, as well as to members of Special Participating Groups who qualify in accordance with the definition of Special Participating Groups.

The following is merely intended to provide a general description of the benefits provided. It does not represent or replace official plan policies and documents. Any changes to the Health Plan Agreement and Local 9338 Office and Technical Workers Employee Benefit Plan revised as of 2015 would require the approval of the Company and the Union. The principal features of the benefits program are as follows:

- (a) Payment of the charges for a private and semi-private room in a hospital if the hospital does not normally provide the private and semi-private room without charge to any patient.
- (b) The following dental expenses are paid at 100%:

Diagnostic Services, Preventive Services, Restorative Services, Simple Extractions and Prosthetic Services (repair of damaged dentures) and to include routine examinations as frequently as every six consecutive months.

The following dental expenses are paid at 60%: Intermediate Services, Endodontic

Services, Periodontal Services, Prosthodontic Services (Removable), Prosthodontic Services – Fixed (Bridges), Oral Surgery.

These services are subject to a combined maximum of \$2,250.00 per person, per calendar year. Exclusions and Limitations apply.

Orthodontic services are covered at 50% for dependent children with a lifetime maximum of \$5,000.00 per dependent child. Braces must be placed prior to the patient's 17<sup>th</sup> birthday. There is no reimbursement in advance for orthodontic services not yet received.

(c) Payment for the non-recoverable portion of prescription drugs that are listed in the most current edition of the drug formulary as issued by the Government of Manitoba, which is sold on the prescription of a physician or dentist and dispensed by a pharmacist. Charges for smoking cessation products, not on the Manitoba Drug Formulary, which are sold on the written prescription of a physician and dispensed by a pharmacist, may be covered, to a lifetime maximum of \$500.00 per employee.

> Drug benefit eligibility will be contingent on an employee, dependent over the age of 18 and retiree providing proof to the Company that they have submitted an application for

Pharmacare to Manitoba Health or application for the Drug Special Support Program to Saskatchewan Health.

- (d) Licensed ambulance and stretcher service, not otherwise covered by another agency, to transport to or from nearest hospital for necessary treatment. Such transport must be on the recommendation of a physician. Air ambulance service is covered subject to the maximum charge should the service be rendered by a ground ambulance.
- (e) Vision Care reimbursement for prescription lenses, frames, tints and coatings, repairs to prescription glasses, foldable lens implants, laser eye surgery and contact lenses to a maximum of \$250.00 per eligible member every twenty-four (24) months.

The Company will pay for the eye examination fee every twenty four (24) months.

**(f)** Reimbursement of transportation costs for eligible members who are referred to a specialist medical outside the Flin Flon/Snow Lake area and do not qualify for Northern Patient Transportation the Program or other Plans. Reimbursement is for second and subsequent trips and is based on the bus rate to the city within Manitoba or Saskatchewan to which they are referred. Manitoba residents traveling outside of the province for medical

appointments on a referral basis are eligible for \$50.00 for the second and subsequent trips.

Plan members who reside in Snow Lake, MB are also reimbursed for two trips per person per year to The Pas, MB, Flin Flon, MB or Thompson, MB to see a licensed optometrist and unlimited trips to The Pas, MB, Flin Flon, MB or Thompson, MB to see a licensed dentist. The rate of reimbursement for these trips is 40¢ per kilometer. \$167.20 to The Pas, MB, \$164.00 to Flin Flon, MB and \$200.00 to Thompson, MB.

Medical referrals from Snow Lake, MB to Flin Flon, MB or The Pas, MB are covered by the Northern Patient Transportation Program. The Company subsidizes this medical travel at the difference between the 40¢ per kilometer and the amount paid by the Northern Patient Transportation Program.

One return bus fare will be paid to a Flin Flon and Snow Lake area employee and his registered dependent for out of town orthodontic services to a maximum of 5 trips per family per year within Manitoba or Saskatchewan. Where bus service is not provided, travel will be reimbursed at 40¢ per kilometer.

(g) (i) Physiotherapy Services

(ii) Extended Health Services for Chiropractic services and/or Orthotics and/or Registered Massage Therapy will be reimbursed up to \$250.00 per year per employee on a 50% coverage basis for services used. This benefit does not apply to dependents or retirees.

(h) An active employee or his registered dependents, while on business or vacation beyond the vicinity of the principal operations of the Company, will continue to enjoy the benefits as provided by the Health Plan.

A general description of those who are covered under the Plan is as follows:

1) Regular Participating Status

Employees and eligible dependents of employees provided that they reside with the employee, as defined:

Spouse is the participant's legal spouse or a person acknowledged by the participant as his spouse, with whom the participant has been living in a permanent manner for over 1 year. However, when the person is the biological or adoptive father or mother of at least one of the participant's children, the spouse will be recognized as of the date of birth or adoption, if it precedes the end of the 1 year of cohabitation.

Any dissolution of marriage through annulment, divorce or or legal separation results in the loss of status of spouse. Any spouse that has been separate or apart from living the employee for over 6 months, will lose status as spouse. In the case of a common law marriage, separation for over 3 months results in the loss of status as spouse.

In the event that two individuals satisfy the definition of spouse, only one will be granted coverage under this plan and that will be the spouse who is cohabiting with the employee, unless advised otherwise in writing by the participant.

Eligible dependent is the following persons who reside with and are wholly dependent on an employee, provided they have been accepted and registered as dependents with the Company: Children of the employee including children and step-children. adopted Coverage for children shall end at age 19 unless the child is attending an high accredited school, vocational training school or university on a fulltime basis as defined by the Company, case coverage in which be may extended until the dependent's 25<sup>th</sup> birthday.

The father, mother, stepfather, stepmother, grandchild, brother and sister of the employee, provided they are not suffering from a chronic illness or disease or any disability of a serious nature and provided that a Wholly Dependent Application is filed with the Company and approved.

Any unmarried mentally or physically handicapped child, who is totally dependent on the employee, will continue to be eligible after reaching normal termination age provided a Wholly Dependent Application is filed with the Company and approved.

- 2) Special Participating Groups
  - (i) Surviving spouses of employees who died while employed by the

Company, and their eligible dependent children, for so long as the surviving spouse the and children continue dependent to reside in Canada. Any such spouse and dependent survivina children who were special participating members and who were not resident within the area of the principal operations of the Company as at January 2, 2002 not however qualify shall for coverage under the Plan and

- (ii) Pensioned employees and their eligible dependents provided that both the pensioned employee and the eligible dependents reside and continue to reside in Canada. Any such employee (or the dependent of such employee) who has retired and is not resident within the area of the principal operations of the Company as at January 2, 2002 shall not however qualify for coverage under the Plan.
- 12.05 Sick Benefit Plan

Eligibility for Short Term Disability Benefits ("STD Benefits") and Long Term Disability Benefits ("LTD Benefits") shall be determined in accordance with the Short Term Disability Policy (the "STD Policy") and Long Term Disability Policy (the "LTD Policy") respectively. STD Benefit claims of up to 26 weeks will be administered by a third party administrator (the "STD Administrator") and paid by the Company. After 26 weeks, STD Benefit claims will transition to LTD Benefit claims determined and provided through a third party insurance carrier (the "LTD Insurer"). The STD Policy and LTD Policy shall provide as follows:

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

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

An employee who has utilized all or a portion of such benefits will have the full six (6) calendar month benefit reinstated once the employee has returned to active duty and has been continuously in attendance at work, without any period of absence, for at least two hundred and forty (240) straight-time working hours.

In the event you are absent from work because you suffer from a recurrence of the same or related disabling condition within a period of 30 calendar days following your regular return to work at Hudbay, the recurrence will be considered a continuation of the previous disability period, as long as eligibility vou continue to meet the present requirements stipulated in the policy. In order for an employee to be eligible to receive or continue to receive such STD benefits, the employee must be totally disabled and under the care of a physician. The employee must also be actively following any course of treatment prescribed by the physician.

Absences of up to forty (40) hours of STD Benefits (forty-six (46) hours for 11.5 hour shifts and forty-eight (48) hours for 12 hour shifts) will be paid directly by the Company. Medical documentation/confirmation will not normally be required during this period, however, an employee may be required to provide confirmation of illness to confirm an absence from work if so requested by Human Resources and/or the applicable Department Head (or designate).

Applications for STD Benefits in excess of forty (40) hours (forty-six (46) hours for 11.5 hour shifts and forty-eight (48) hours for 12 hour shifts) must be submitted on the STD Benefit Application Form, along with any required medical information to the third party adjudicator.

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

New employees shall not be eligible for the above STD benefit or the following LTD benefit until they have completed five hundred and twenty (520) straight-time working hours.

(b) The Company agrees to pay the insurance premiums for a LTD benefit plan having benefits that are no less than those set forth under the Company's present long-term disability plan. The specific terms of such plan shall be as set forth in the Master Policy issued to the Company by the insuring organization. The plan does not form part of this agreement and shall not be deemed to be incorporated into this agreement. The Company shall be entitled to require employees who are absent on account of LTD to provide medical reports to the third party adjudicator and undergo medical examinations in accordance with paragraph (a) above.

New employees shall not be eligible for the above short term disability benefit or the following long-term disability benefit until they have completed the probationary period of five hundred and twenty (520) straight-time working hours.

12.06 Death Benefit Plan

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

See Letter of Understanding

- #3 Long-Term Disability Benefits
- #5 Geographic Requirement for Benefit Coverage
- #7 Application of Collective Agreement to Temporary Employees

Article 13

#### **GENERAL HOLIDAYS**

- 13.01 Eight (8) hours straight-time shall be paid to all employees not required to work on New Year's Day, Good Friday, Victoria Day, Canada Day, August Civic Holiday, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day and the second Monday in June in each year of this Agreement, provided they comply with the provisions of this Article 13.
- Any employee other than those 13.02 referred to in Article 13.04 required to work on the eleven (11) General Holidays listed in Article 13.01 shall be paid for the first eight (8) hours or less of such work at the rate of one and one-half  $(1\frac{1}{2})$  times his regular rate of pay and in addition, he shall be paid holiday pay in an amount equal to his regular rate of pay for eight (8) hours and he shall be paid at the rate of two and one-half  $(2\frac{1}{2})$  times his regular rate of pay for all hours in excess of eight (8) hours worked by him on that General Holiday.
- 13.03 No employee is entitled to pay for any General Holiday as specified in Article 13.01 unless he has worked during the thirty (30) calendar days immediately preceding the General Holiday.
- 13.04 No employee is entitled to pay for any General Holiday as specified in Article 13.01 if a General Holiday occurs in the first thirty (30) days of employment. Any such employee required to work on such General Holiday shall be paid at a rate of one and one-half (1½) times his regular rate of pay for the time worked. Notwithstanding anything to the contrary stated herein, upon completion of the first thirty (30) consecutive days of continuous

employment with the Company, the said employee shall receive all unpaid General Holiday pay for any General Holiday that occurred during the first thirty (30) days of employment.

- 13.05 No employee is entitled to pay for any General Holiday, as specified in Article 13.01, on which he was absent without leave after being scheduled to work on the General Holiday.
- 13.06 Where a General Holiday falls on an employee's regularly scheduled day off and he is not required to work that day, he shall, subject to the provisions of this Article 13, be granted a holiday without pay at a mutually agreeable time.
- 13.07 Notwithstanding the terms of this Article, a department may, in its discretion, permit an employee who is required to work on a General Holiday to take a substitute day off without pay at a mutually acceptable time, providing that such time is taken within one (1) year of the General Holiday.

### Article 14

## VACATIONS WITH PAY

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

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

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

In addition to the vacation pay outlined above, there shall be added to the vacation pay of any employee an amount of \$2.125 for each working hour of regular vacation granted and taken under Article 14.02.

- 14.03 The rate per day that will be granted for vacation allowance will be calculated using an eight (8) hour day and the employee's normal straight-time earnings per day at the time of his vacation.
- 14.04 When any of the eleven (11) General Holidays listed in this Article fall during an employee's vacation with pay, such vacation with pay shall be extended by one (1) day, subject to the other provisions of this Article.
- 14.05 Employees will arrange with their department supervision as to the dates they will be granted vacations. An endeavour will be made to meet the desire of the individual employee, but Management reserves the right to so arrange vacations that the work will be as little affected as possible. Where necessary to give preference as to times of vacations, employees with the longest Company service will be given such preference. A senior employee may designate his entire vacation for one continuous unbroken period. In the event that he chooses to split his vacation, his second choice may only be designated after more junior employees have designated their first choice.
- 14.06 It is intended that vacation be taken each year but special circumstances, employees may, under accumulate their vacation periods. Any request to vacations must writing accumulate be in to the department superintendent stating reasons for the request. Decisions respecting such requests will be made by Company Management.
- 14.07 If an employee leaves the service of the Company, is laid off, or his employment is terminated, he shall be paid a

sum proportionate to the service he has completed in the qualifying period. Should his employment be terminated by his death, such sum shall be paid to his estate.

#### Special Vacation

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

cessation of his employment with the Company or immediately prior to his death as the case may be.

- 14.12 In determining the length of a special vacation, a week shall mean five (5) eight (8) hour working days.
- 14.13 The allocation of vacations with pay under the provisions of the regular vacation plan shall have priority over the allocation of special vacations hereunder.

## Article 15

### LEAVE OF ABSENCE

- 15.01 Vacation entitlement and benefit and seniority accrual for employees granted a leave pursuant to this Article will be determined in accordance with Article 16 -Benefits and Seniority Accrual for Employees Not Actively at Work.
- 15.02 When the requirements of the plant or plants permit, employees for satisfactory cause or circumstance, may be granted leave of absence without pay for a limited period and under the following conditions:
  - (a) Application for leave of absence shall be made in writing to the department superintendent stating full particulars, including length of intended leave of absence and reason. The approval of such leave will be at the sole discretion of the Company.
  - (b) An employee granted leave of absence for a period not exceeding one hundred and fifty (150) calendar days shall retain his seniority status and seniority

shall accrue to him during his absence. The approval of such leave will be at the sole discretion of the Company.

#### 15.03 Union Leave

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

- (a) Upon written application, no less than one (1) week in advance, the Company will grant employees leave of absence without pay provided the numbers of employees absent at any one time shall be mutually agreed upon. Such leave of absence without pay will not be unreasonably withheld.
- 15.04 Bereavement Leave
  - (i) A maximum bereavement leave of ten (10) calendar days will be granted to an employee, commencing on the day of the death of his spouse, son or daughter. For each day the employee was regularly scheduled to work during such leave he shall be paid his regular rate of pay for eight (8) hours.
  - (ii) bereavement leave of three (3) Α maximum scheduled working days will be granted to an employee, upon the death of his mother, father, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, grandmother, daughter-in-law, grandfather, grandmother, spouse's grandfather, spouse's grandchild, and any relative permanently residing in

the employee's household or with whom the employee resides. In this situation the bereavement leave will be extended by two (2) scheduled working days if the employee attends the funeral outside Manitoba and Saskatchewan. For each scheduled working day of such leave of absence the employee shall be paid his regular rate of pay for eight (8) hours.

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

#### 15.05 Jury Duty

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

- (a) Employees must notify their department supervision within forty-eight (48) hours after receipt of notice of selection for Jury Duty or on his next regularly scheduled shift;
- (b) Any employee called for Jury Duty who is temporarily excluded from attendance at Court must report to work as soon as possible; and
- (c) In order to be eligible for such payment the employee must furnish the Industrial Relations Department with a written statement from the appropriate public official showing the date, time served and the amount of pay received.

#### 15.06 Maternity Leave

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

later than the expected delivery date shown on the application, the seventeen (17) weeks leave may be extended by a number of days equal to the days between the expected and actual dates of delivery.

The Company may require a pregnant employee to commence a maternity leave of absence without pay if she cannot, in the Company's opinion or in the opinion of a qualified medical practitioner, perform the normal duties of her job or such other job as has reasonably been provided to her in an effort to accommodate health issues arising due to her pregnancy. In the event that such a requirement results in six (6) weeks of the leave not remaining after the delivery, she will be granted the full six (6) weeks after the delivery.

In the event that such employee is unable to return to work at the conclusion of the six (6) week period immediately following the date of delivery because of medical complications arising out of her pregnancy and/or delivery, she shall be granted an extension of up to six (6) months in her maternity leave of absence without pay, provided she makes application to her supervisor at least one (1) week prior to the expiration of her leave.

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

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

15.07 Child Care Leave

Where an employee has or will have the actual care and custody of a new-born child or adopts a child, such employee shall be granted (in accordance with Sections 206 and 207 of the Canada Labour Code) an unpaid leave of absence of up to thirty-seven (37) weeks.

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

#### BENEFIT AND SENIORITY ACCRUAL FOR EMPLOYEES NOT ACTIVELY AT WORK

- 16.01 For the purpose of this Article, "benefits" is defined to include regular and special vacation, general holidays, group life insurance, Health Plan, Sick Benefit Plan and Death Benefit Plan but does not include pension or seniority accrual.
- Layoffs Employees who are laid off shall have all of 16.02 their benefit entitlement cease at the time of lay off. An employee who is laid off by the Company will not lose his seniority status because of a layoff, but his continuous service record shall not be lengthened more than one hundred eighty (180) calendar days during a layoff. Notwithstanding the foregoing, employees who because of their seniority, have been identified for lay off but at the time of the lay off are entitled to or are in receipt of Workers Compensation benefits or sick benefits under the Sick Benefit Plan will, notwithstanding the fact that they are laid off, continue to receive life insurance benefits and Health Plan Benefits as though they had not been laid off. Their pension and vacation accrual will cease at the time of lay off, and all earned but unpaid vacation will be paid at that time. Life insurance and Health Plan benefits will cease at the time that such employee recovers from disability or at such earlier date in accordance with the terms and policies of the Group Life Insurance Plan and the Health Plan. If such employee is in receipt of a recall notice, but is unable to report for work because of a continuing

disability, he shall begin accruing benefits as if he had returned to work.

- 16.03 <u>Leaves of Absence</u>- All of an employee's benefit entitlement shall cease at the commencement of any leave of absence granted pursuant to Article 15 except as follows:
  - (a) Benefits will continue for any leave of absence that is for a period of one hundred and fifty (150) or fewer calendar days;
  - (b) Benefits will continue for any period of maternity or child care leave that is granted in accordance with the provisions of this agreement;
  - (c) The benefits set forth below will continue, in the case of a leave of absence of more than one hundred and fifty (150) calendar days granted pursuant to Article 15.02 (Personal Leave) or Article 15.03 (Union Leave) provided however that:
    - (i) The employee or the Union pays the Company, in advance each month, the amount that the Company considers reasonable toward the costs of all and not less than all of the following benefits:
      - Pension Plan costs;
      - Group Life Insurance Policy;
      - Health Plan;
      - Long term portion of Sick Benefit Insurance Plan;
      - Death Benefit Plan; and

- (ii) The insurance carrier, where applicable, is prepared to approve the employee's continued participation while on such leave of absence; and
- (d) No sick benefits shall be paid for any period of an employee's scheduled leave of absence. An employee who retains benefit coverage during a leave of absence under (c)(i) above will become eligible for sick benefit in the event they do not return from a scheduled leave six (6) months after their scheduled return to work date.
- 16.04 <u>Illness</u> - Employees who are off work on sick benefit or Workers Compensation will continue to participate in the Group Life Insurance, Health Plan, Sick Benefit Plan, and Death Benefit Plan and will continue to be entitled to regular and special vacations for the first twelve (12) months of their absence. Thereafter, such entitlement will cease and accrual of regular and special vacations will restart once the employee has returned to work on a full-time basis for a minimum of three (3) months (accrual from date of return to work). It is understood that an employee will not be considered to have returned to work for the three (3) month period outlined above if, during the period in question, the employee is absent from work for any period of more than forty-eight (48) consecutive working hours related to the original injury or illness.

Entitlement will be pro-rated as follows:

(a) <u>Regular Vacation</u> - Entitlements will be pro-rated in the year the accrual ceases (after being off work for twelve (12) months), and also in the year the accrual restarts.

(b) <u>Special Vacation</u> - The employee's special anniversary date will be delayed by the number of days lost due to sickness or injury in excess of three hundred and sixty-five (365) days.

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

Effective April 8, 1994 an employee who has been off work for twelve (12) months or more will be required to retire provided he/she qualifies for an unreduced pension unless his/her physician, in consultation with a Company designated physician, determines that the employee should be able to return to work within a twelve (12) month period.

- 16.05 <u>Adjustments for Vacation and Special Vacation</u> Where an employee has been granted a leave of absence of more than one hundred and fifty (150) calendar days or has been laid off, his regular and special vacation entitlement will be adjusted as follows:
  - (a) <u>Regular Vacation</u> The employee will not accrue vacation during any period of the leave or lay off, so that the employees" entitlement will be prorated for any portion of the year in which he is so absent.
  - (b) <u>Special Vacation</u> The employee's special anniversary date will be delayed by the number of

calendar days of absence due to lay off or leave of absence.

The foregoing adjustments will be recalculated in accordance with paragraph .02 (b) where an employee has been recalled and returns to work following a lay off.

- 16.06 <u>General Holidays</u> Employees who have been laid off or granted a leave of absence shall not be entitled to General Holidays that may occur during the period of lay off or leave of absence. Employees off work due to illness or injury will be entitled to pay for a General Holiday that falls within the first thirty (30) days of their absence. No sick pay shall however be paid to such employee pursuant to Article 12.05 in respect of any day for which the employee receives General Holiday pay.
- 16.07 <u>Pension Accrual</u> Pension accrual shall be determined in accordance with the terms of the applicable pension plan.

### Article 17

## **BULLETIN BOARDS**

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

### NO DISCRIMINATION OR HARASSMENT

17.02 The parties mutually agree that there shall be no discrimination or harassment by either of them or by any of the members of the Union against any employee by

reason of membership or non-membership in any labour organization or by reason of sex, race, national or ethnic origin, colour, religion, disability, marital status, age, family status or sexual orientation. The Company policy entitled "Human Rights Policy" dated May 6, 2013 will remain in force for the duration of this Agreement.

# CONTRACTING OUT

- 17.03 The Company recognizes that the Union has an understandable concern over "contracting out" and agrees that employees in the bargaining unit will not be laid off as a result of contracting out work they normally perform. The Union is to be provided with notification prior to contracting out.
- 17.04 If an employee is downgraded by the Company into a position paying a lesser rate of pay as a result of contracting out, such employee will maintain his rate of pay at the time of downgrading. That rate shall be red circled. The red circle rate will remain in effect for a two (2) year period, at which time the employee's rate will be reduced to the full performance level for the new job.

## Article 18

## **DISCIPLINE PROCEDURE**

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

- (a) The Company shall have the right to suspend or discharge any employee for sufficient and just cause.
- 18.01 A steward will be in attendance when an employee is suspended or discharged. All other discipline can be done via teleconferencing or videoconferencing in outlying areas.
- 18.02 The employee and the Union will receive a written copy of the suspension slip or discharge letter.
- 18.03 An employee wishing to review his departmental employee file may do so once per year. He shall make such request to his department superintendent or designate. All of the material in the file will be reviewed with the employee. If the employee disagrees with the factual nature of any of the material in his file and the superintendent or his designate are unwilling to remove the material from the file, such employee will be entitled to write a note to the file explaining his disagreement. Such note will become part of the file.

## Article 19

# **GRIEVANCE AND ARBITRATION PROCEDURE**

- 19.01 A grievance shall be defined as a difference between the Company and any of its employees regarding the interpretation, application, administration or alleged violation of the provisions of the Collective Agreement.
- 19.02 If a difference arises between an employee and the Company over the interpretation, application, administration, or the alleged violation of this

Agreement, the employee and his/her immediate supervisor must first meet as soon as possible and attempt to resolve the difference informally. A Union Steward may attend if requested.

19.03 Step I

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

19.04 Step II

Failing satisfactory settlement, the Union within five (5) working days of having received the written decision at Step I may refer the matter in writing to the department head. The department head will arrange a meeting to review the matter within fourteen (14) calendar days of receipt of the written request for a Step II meeting. The employee will be accompanied at that meeting by the Union President or Grievance Chairperson. The United Steelworkers staff representative may also attend. The department head will provide a written reply to the grievance to the Union President within seven (7) calendar days of the meeting.

19.05 Arbitration

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

Arne Peltz Michael Werier Diane Jones

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

- 19.06 The time limits set forth for the grievance and arbitration procedure may only be extended by the agreement of the parties.
- 19.07 Notwithstanding the terms of Article 19.05 if one of the parties wishes to proceed to an expedited form of arbitration with respect to an employee termination they will within fourteen (14) days after the matter has been advanced to arbitration by the Union, advise the other that they wish to invoke the expedited procedure.

The expedited procedure will require that the parties immediately advise each other of the potential hearing dates when they and their counsel can be available over the next ninety (90) days. The parties will also advise as to the number of days they anticipate the hearing will take. This information will then be provided to the next arbitrator in rotation and he will then immediately determine if he can hear the matter within that time period.

If he cannot, the matter will be referred to the next arbitrator in rotation.

After rotating through the entire list of arbitrators, if a date has not been set within the ninety (90) day period outlined above, the parties will within fourteen (14) calendar days, initiate a conference call with the original arbitrator to determine the earliest date the matter can be heard.

## Article 20

# NO STRIKES, NO LOCKOUTS

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

Article 21

### **DURATION OF AGREEMENT**

This Agreement shall become effective as of January 1,
 2015 and shall remain in effect until and including
 December 31, 2017 and shall be automatically renewed thereafter for successive periods of twelve (12)

months unless either party requests the negotiation of a new agreement by giving written notice to the other party not less than thirty (30) calendar days and not more than ninety (90) calendar days prior to **December 31**, **2017** or not less than thirty (30) calendar days and not more than ninety (90) calendar days prior to the anniversary date of any automatic renewal of this Agreement.

## January 1, 2015

#### LETTER OF UNDERSTANDING - #1

To the Union:

# **RE: BANKED OVERTIME PAY**

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

- 1) At an employee's request, he will not be paid for overtime worked and payment for this work will be banked (banking of pay, not banking of hours).
- 2) It is understood that this banked overtime pay may be paid out at any time at the discretion of the employee.
- (signed) Jan Rodnisky Human Resources Manager
- (signed) S. Collins President United Steelworkers

LETTER OF UNDERSTANDING - #2

To the Union:

#### **RE: PATERSON PLAN**

This will confirm our agreement, reached at negotiations, whereby the Company will provide training in the existing Paterson Plan Decision Band Method of job evaluation to four (4) employees designated by the Union. The person responsible for the training will be mutually agreed upon by the Company and the Union.

The last sentence of the foregoing paragraph will fall away December 31, 2005.

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

Notwithstanding the foregoing the parties may, by mutual agreement, increase or decrease the banding of any job even though no changes have been made to it if both parties agree a banding change is warranted as determined through the joint Union and Company Banding Committee.

Note: Lynda Mungall has been located and is prepared to continue acting as Arbitrator (Mungall Consulting, telephone 416-299-1798).

(signed) Jan Rodnisky Human Resources Manager

(signed) S. Collins President United Steelworkers

#### LETTER OF UNDERSTANDING - #3

To the Union:

# **RE: LONG-TERM DISABILITY BENEFITS**

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

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

It is understood between the parties that for present employees who are members of the defined benefit plan (SRIP) a Disability pension shall mean an unreduced pension.

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

(signed)	Jan Rodnisky
	Human Resources Manager
(signed)	S. Collins
-	President

**United Steelworkers** 

# January 1, 2015

#### LETTER OF UNDERSTANDING - #4

To the Union:

# **RE: PROFIT SHARING PLAN**

- 1. The Company agrees to establish a Profit Sharing Plan with effect as of January 1, 1994. The Plan, which shall not be amended without agreement of the Unions, includes all employees in the Flin Flon/Snow Lake operations, with the exception of executive officers of the Company and all others who participate in any management incentive plans other than this Profit Sharing Plan.
- 2. At the end of each calendar year, ten percent (10%) of the Company's "After Tax Earnings (Loss)" if positive, as defined in point 3 of this letter, shall be distributed on the first pay day following the issue of the Profit Sharing Plan Statement to the full time hourly and salaried employees on the following basis.
  - a) Full time hourly and salaried employees who are employed for the full year shall receive a full and equal share.
  - b) Employees who retire or are laid off during the year shall receive a partial share on a quarterly pro rata basis.
  - c) Employees who are hired or are recalled during the year and are on the payroll at year end shall receive a partial share on a quarterly pro rata basis.

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

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

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

- 3. For the purposes of this Profit Sharing Plan "After Tax Earnings (Loss)" shall comprise "Net Income (Loss)" calculated in accordance with Hudson Bay Mining and Smelting Co., Limited's accounting policies and Canadian GAAP Accounting Standards with the following exclusions:
  - (i) Profit Sharing Plan costs
  - (ii) Provisions for deferred income tax
  - (iii) The Company's portion of any gains which result in payments under a Gainsharing Plan during the year including the annual global reserve pay-out.
- 4. There is no cap on the size of the Profit Sharing Plan.
- 5. <u>Verification</u>

Thirty (30) days following release of HudBay Mineral Inc.'s annual results, the Company shall provide the Unions with an audited Profit Sharing Plan Statement for that fiscal period. Such statement shall include verification of the exclusions per points 3 (i), (ii) and (iii).

Within one week of the Union receiving a copy of the audited Profit Sharing Plan Statement and prior to making the Profit Sharing Plan payment to employees the Company will arrange an in camera meeting between the Union Presidents or their designates and/or Union Staff Representatives and the Auditors to review the audited Profit Sharing Plan Statement.

- (signed) Jan Rodnisky Human Resources Manager
- (signed) S. Collins President United Steelworkers

### Janaury 1, 2015

LETTER OF UNDERSTANDING - #5

To the Union:

#### RE: GEOGRAPHIC REQUIREMENT FOR BENEFIT COVERAGE

This Letter of Understanding shall apply only to:

Former employees who both retired with an unreduced pension prior to and had ceased to reside within the area of the principal operations of the Company as at January 2, 2002; and

Members of special participating groups who had both qualified for special participating member status and who had ceased to reside within the area of the principal operations of the Company as at January 2, 2002.

The Company will continue its present practice of reinstating benefit coverage for individuals who fall within the foregoing categories if and when they subsequently move back to Flin Flon **and Snow Lake** establish their permanent residence as being within the area of the principal operations of the Company. In accordance with past practice, benefit coverage for such individuals, once reinstated, will cease four (4) months after the date on which they cease to permanently reside within the area of the principal operations of the Company.

- (signed) Jan Rodnisky Human Resources Manager
- (signed) S. Collins President, United Steelworkers

#### LETTER OF UNDERSTANDING - #6

To the Union:

#### **RE: STUDENTS**

As discussed at **2014/2015** bargaining, the Company will, on a trial basis over the term of the Collective Agreement, pay students **90% of B23 pay grade** for whatever job they are performing.

- (signed) Jan Rodnisky Human Resources Manager
- (signed) S. Collins President United Steelworkers

LETTER OF UNDERSTANDING - #7

To the Union:

# RE: APPLICATION OF COLLECTIVE AGREEMENT TO TEMPORARY EMPLOYEES

- 1. The parties have agreed that, notwithstanding Article 7.04 of the Collective Agreement, temporary employees shall be entitled to certain benefits in accordance with the terms set forth below.
- Temporary employees shall be entitled to the following benefits after working four hundred and eighty (480) straight time hours in any immediately preceding six (6) month period:
  - (a) Entitlement to participation in the Company's Health Plan, its Death Benefit Plan and its Group Life Insurance Program. Coverage shall not begin until the later of such time as the employee has completed the four hundred and eighty (480) straight time hours in any immediately preceding six (6) month period or the date on which the employee has completed all Plan pre-conditions.
  - (b) Entitlement to vacation pay on each pay cheque based on 4% of the employee's regular earnings.
  - (c) Entitlement to bereavement as set forth the Canada Labour Code.

- (d) Entitlement to General Holidays as set forth in and in accordance with Article 13 of the Collective Agreement.
- 3. A temporary employee's entitlement to and coverage under the benefits described above shall cease at the time a temporary employee's work assignment ceases. A temporary employee's entitlement to the benefits described above may be reinstated if the temporary employee has worked four hundred and eighty (480) hours in the immediately preceding six (6) month period.
- 4. A temporary employee may obtain regular full time status under the Collective Agreement in accordance with Article 7.01 of the Collective Agreement.
  - (signed) Jan Rodnisky Human Resources Manager
  - (signed) S. Collins President United Steelworkers

#### LETTER OF UNDERSTANDING - #8

To the Union:

#### **RE: RETRANSFER RIGHTS**

This will confirm the agreement during the 2005 negotiations, that if an employee is transferred from one department to another as a result of a workforce adjustment under Article 8, such employee will be given preference to transfer back to their original department and classification ahead of other employees who have not worked in that department or classification. If an employee refuses the opportunity to transfer, the Company will advise the Union in writing that the employee has so declined with a copy to the employee.

- (signed) Jan Rodnisky Human Resources Manager
- (signed) S. Collins President United Steelworkers

LETTER OF UNDERSTANDING - #9

To the Union:

# **RE: OFFICE AND TECHNICAL UNION**

Let it be understood that from this time forward, USW 9338 will be referred to as USW 9338, Office and Technical Workers.

All noticed and job bulletins certified to this Local will reflect such.

- (signed) Jan Rodnisky Human Resources Manager
- (signed) S. Collins President United Steelworkers

#### LETTER OF UNDERSTANDING - #10

To the Union:

### RE: MOVING FROM B24 TO C31

In the event that an employee is moved from 100% of B24 to C31, they will automatically be moved to 95% of the banding due to an overlap in the banding.

- (signed) Jan Rodnisky Human Resources Manager
- (signed) S. Collins President United Steelworkers

LETTER OF UNDERSTANDING - **#11** 

To the Union:

# **RE: PAID UNION DAY**

For the life of this Collective Agreement, and beginning in June 2015, the Company will agree to one paid day away from regular duties for the Union President (or designate(s)) per calendar month.

Where a meeting is not required in a particular month, the Union may carry the unused days to a subsequent month. The Parties agree that there will be no more than 12 days accumulated in the bank at any one time.

This day will be used solely for matters related to the administration of this Collective Agreement and the business of Union Local 9338. The time off request must be submitted to the Superintendent of the Department and Human Resources Department and approved in advance.

- (signed) Jan Rodnisky Human Resources Manager
- (signed) S. Collins President United Steelworkers

#### **RE: LETTER OF AGREEMENT**

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

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

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

- (signed) Jan Rodnisky Human Resources Manager
- (signed) S. Collins President United Steelworkers

Appendix A Insert from scanned-3 pages Appendix A con't

Appendix A con't

# APPENDIX B

# **RIGHT TO REFUSE PROCEDURE**

# DEFINITION

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

# STEP 1

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

# STEP 2

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

# STEP 3

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

#### STEP 4

A supervisor shall not assign or require any other worker to perform the particular work unless that worker has been informed

by the first worker, or a Safety and Health Officer, of the worker's refusal to perform the work and the reasons thereof.

# STEP 5

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

# STEP 6

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

# APPENDIX C OFFICE & TECHNICAL SALARY SCALE

# January 1, 2015

	Develop (90%)		Accept (95%)		Full Perf (100%)	
Band	Monthly	Hourly	Monthly	Hourly	Monthly	Hourly
C 440	\$6785	\$39.146	\$7153	\$41.269	\$7520	\$43.387
C 435	\$6431	\$37.104	\$6778	\$39.106	\$7126	\$41.113
C 430	\$6098	\$35.183	\$6427	\$37.081	\$6756	\$38.979
C 320	\$5481	\$31.623	\$5776	\$33.325	\$6071	\$35.027
C 310	\$4928	\$28.433	\$5192	\$29.956	\$5456	\$31.479
B 240	\$4642	\$26.783	\$4891	\$28.219	\$5139	\$29.650
B 230	\$4178	\$24.106	\$4401	\$25.392	\$4623	\$26.673
B 120	\$4053	\$23.385	\$4268	\$24.625	\$4484	\$25.871
B 110	\$3928	\$22.663	\$4136	\$23.863	\$4345	\$25.069

2016

	Develop (90%)		Accept (95%)		Full Perf (100%)	
	Monthly	Hourly	Monthly	Hourly	Monthly	Hourly
C 440	\$7,089	\$40.896	\$7,457	\$43.019	\$7,824	\$45.137
C 435	\$6,735	\$38.854	\$7,082	\$40.856	\$7,430	\$42.863
C 430	\$6,402	\$36.933	\$6,731	\$38.831	\$7,060	\$40.729
C 320	\$5,785	\$33.373	\$6,080	\$35.075	\$6,375	\$36.777
C 310	\$5,232	\$30.183	\$5,496	\$31.706	\$5,760	\$33.229
B 240	\$4,946	\$28.533	\$5,195	\$29.969	\$5,443	\$31.400
B 230	\$4,482	\$25.856	\$4,705	\$27.142	\$4,927	\$28.423
B 120	\$4,357	\$25.135	\$4,572	\$26.375	\$4,788	\$27.621
B 110	\$4,232	\$24.413	\$4,440	\$25.613	\$4,649	\$26.819

January 1, 2017

	Develop (90%)		Accept (95%)		Full Perf (100%)	
	Monthly	Hourly	Monthly	Hourly	Monthly	Hourly
C 440	\$7,305	\$42.146	\$7,673	\$44.269	\$8,040	\$46.387
C 435	\$6,951	\$40.104	\$7,298	\$42.106	\$7,646	\$44.113
C 430	\$6,618	\$38.183	\$6,947	\$40.081	\$7,276	\$41.979
C 320	\$6,001	\$34.623	\$6,296	\$36.325	\$6,591	\$38.027
C 310	\$5,448	\$31.433	\$5,712	\$32.956	\$5,976	\$34.479
B 240	\$5,162	\$29.783	\$5,411	\$31.219	\$5,659	\$32.650
B 230	\$4,698	\$27.106	\$4,921	\$28.392	\$5,143	\$29.673
B 120	\$4,573	\$26.385	\$4,788	\$27.625	\$5,004	\$28.871
B 110	\$4,448	\$25.663	\$4,656	\$26.863	\$4,865	\$28.069

# **APPENDIX D**

# **POSITION LISTING**

#### 9338 Position Listing

Position Listing	Pay Grade
Accounting Clerk	B230
Accounts Payable Analyst	C310
Accounts Payable Clerk	B230
Analytical Chemist	C430
Analytical Technician	B240
Analytical Technologist	C320
Assistant Inventory Control Foreman	C310
Blast Hole Planner	C430
Buyer	C320
Geological Technician	C430
Health & Safety Clerk	B230
Junior Analyst	C320
Junior Buyer	B240
Junior Buyer/Whse Checker Snow Lake	C310
Junior Electrical Designer	C310
Junior Mine Planner	C320
Maintenance Planner	C320
Material Technician	C320
Metallurgical Technician	C320
Senior Metallurgical Technician (ZP)	C430
Mine Planner	C430
NDE/INV Maintenance (ZP)	C430
QA/QC Coordinator	C430
Sales Tax Analyst	C320
Senior Analytical Technician	C310
Senior Designer	C430
Senior Stock Clerk	C320
Senior Traffic Clerk	C310
Shipping Clerk	B230
Short Range/Long Range Planner	C440
Student	B230
Supply Chain Specialist	C430
Surveyor	C320
Surveyor Trainee	C310
Timekeeper	B230
Ventilation Technician	C320
Ventilation Technician Trainee	C310

# EXECUTED at Flin Flon, Manitoba this day of **2015**.

#### Hudbay

Per:\_\_\_\_

# R. Winton, VP, Manitoba Business Unit

Per: \_\_\_

J. Rodnisky, Human Resources Manager

Per: \_\_\_\_\_

R. Trudeau, Flin Flon and Snow Lake Mines Manager
Per: \_\_\_\_\_

A. McLean, Human Resources Admin. Assistant

# UNITED STEELWORKERS, LOCAL UNION No. 9338

Per: \_\_\_\_\_

S. Collins- President

Per: \_\_\_\_\_

B. Cluff

Per: \_\_\_\_\_

R. Armstrong

Per: \_\_\_\_\_

B. Warren

Per: \_\_\_\_\_

D. Aasen

# UNITED STEELWORKERS

Per: \_\_\_\_\_

R. Leslie, Staff Representative

ı